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JPRS-SEA-85-170

5 November 1985

## Southeast Asia Report

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19991018 053

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5 November 1985

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5 November 1985

AUSTRALIA

DOLLAR'S FALL LEADS TO 'MASSIVE PAPER LOSSES'

HK071244 Hong Kong AFP in English 1106 GMT 7 Oct 85

[Text] Sydney, Australia, Oct 7 (AFP)--Public authorities in Australia face a potential billion-dollar loss as the Australian dollar continues to fall against the world's major currencies, financial sources said today.

They said that private and public bodies alike which had borrowed heavily offshore now faced massive paper losses.

The government of the southeastern state of Victoria last month acknowledged that the depreciation of the dollar had already cost it 33 million dollars (about 23 million U.S.) in repayments of overseas loans.

But the state's budget papers also revealed that Victorian public authorities face further losses of 410 million dollars (about 287 million U.S.) on their combined foreign debt of 1,467 million dollars (about 1,027 million U.S.).

The government of the southeastern state of New South Wales has more than double this foreign currency exposure with total overseas borrowings of 3,431 million dollars (about 2,402 million U.S.).

It has not so far disclosed its losses caused by the fall of the dollar, but the sources said they were substantial. Total Australian public authority losses could reach a billion dollars (700 million U.S.), they said.

The sources said both public and private borrowers had been attracted offshore over the past few years because of the relatively low interest rates on offer.

With the fall in value of the dollar from 87.5 U.S. cents to the current 70 U.S. cents over the past two years, many have turned to so-called third currencies only to be hit with further losses.

While the Australian dollar had appreciated against the U.S. dollar over the past two weeks, following international moves to reduce the greenback's value, it has dropped further against the other major currencies.

The sources said that in the past quarter alone the Australian dollar had depreciated by as much as 10 percent against the Japanese yen and the Swiss franc.

The general manager of the ANZ banking group's international division, Mr Paul Rizzo, said that dollar's decline against third currencies "has to be of concern" to both the financial market and the government.

He said the Australian dollar was currently seen by the international community as a weak currency, because of concern over the balance-of-payments current account deficit, inflationary fears and low world commodity prices.

CSO: 4200/59



AUSTRALIA

OPPOSITION QUESTIONS VICTORIAN GOVERNOR'S RESIGNATION

BK080211 Melbourne Overseas Service in English 0130 GMT 8 Oct 85

[Text] The federal opposition is to press for a full explanation on the federal government's role in the resignation of the Victorian governor, Sir Brian Murray. The governor resigned last week under pressure from the Victorian premier, Mr Cain, after admitting he had accepted free airline tickets for an overseas flight for himself and Lady Murray. The federal opposition leader, Mr Howard, says the prime minister should set the record straight on claims by Mr Cain that Canberra threatened to cancel the forthcoming tour of the Prince and Princess of Wales unless Sir Brian Murray resigned. It was confirmed in Canberra yesterday that the possibility of cancellation of the royal tour was discussed by the head of the department of Prime Minister and cabinet, Mr Sir Geoffrey Yeend, with the governor shortly before his resignation.

The Victorian premier has said he is willing if necessary to provide further details on the reasons for the governor's resignation, but he believed the continuing controversy over the resignation should be avoided as the royal tour draws closer. The Duke of Edinburgh, Prince Philip, is due to arrive in Melbourne next week for a major conference, while Prince Charles and Lady Diana are due in Melbourne later this month to begin their tour.

Meanwhile, Sir Brian Murray's secretary, Mr Charles Cowen, has issued a statement saying there were no conditions set by the Victorian government on arrangements for the governor's retirement. Victoria's opposition leader, Mr Kenneth, had claimed that Mr Cain imposed silence on the governor in finalizing his retirement package.

CSO: 4200/59

AUSTRALIA

BRIEFS

FISHING RIGHTS FOR JAPANESE--Japanese fishermen are to be readmitted to Australian waters after agreeing to a limit on their global catch of southern blue fin tuna. The Minister for Primary Industry, Mr Kerin, said the agreement came after Japan held discussions with Australian and New Zealand scientists concerning about the depletion of tuna stock. The new tuna agreement covers one year from November and gives the Japanese access to certain areas of the Australian fishing zone and to selective ports, including Hobart. However, Japanese vessels would still be subject to restrictions off the southern Queensland and New South Wales coasts to avoid contact with local fishermen. [Text] [Melbourne Overseas Service in English 0430 GMT 5 Oct 85 BK]

BLACK COAL EXPORT--Australia has become the world's largest exporter of black coal. According to figures from the Bureau of Mineral Resources, Australian coal exports last year rose by 25 percent to nearly 76 million tons, overtaking exports from the U.S. About two-thirds of the increase came from the export of steaming coal. [Excerpt] [Melbourne Overseas Service in English 0830 GMT 4 Oct 85 BK]

MALAYSIA 'SOFTENING' ON ANTARCTIC--Australia's ambassador to the United Nations, Mr Richard Woolcott, says Malaysia appears to be softening its demands that the United Nations take over the Antarctic Treaty. Mr Woolcott described the speech by Malaysia's Deputy Prime Minister, Datuk Musa Hitam, to the UN last week as mild and more flexible than expected. Datuk Musa told the UN that Malaysia did not seek to confront the Antarctic treaty partners nor destroy what they had created. He said however that Malaysia wanted the management of the Antarctic to be accountable to the international community, and, while all countries would share in its resources, the treaty partners' position should also be considered. AUSTRALIAN ASSOCIATED PRESS says Mr Woolcott greeted the speech with a sense of relief as it seemed the issue would be his main concern during the coming UN session. [Text] [Melbourne Overseas Service in English 0430 GMT 7 Oct 85 BK]

CSO: 4200/59

INDONESIA

TIMETABLE OF NEXT GENERAL ELECTIONS ANNOUNCED

Jakarta KOMPAS in Indonesian 11 Sep 85 pp 1, 12

[Text] The coming General Election will be held April 23, 1987 as determined by Decision No. 16, 1985 of the Minister of Internal Affairs as Head of the General Election Board [LPU]. This was conveyed by Minister of Internal Affairs Soepardjo Rustam during the meeting of Indonesian governors at the Department of Internal Affairs in Jakarta on Tuesday discussing preparations for the 1987 elections.

Head of the LPU Public Relations Bureau, Ismail Hasan S. H. announced this to the press in Jakarta on Tuesday while the meeting was still taking place. The governors' meeting was closed to the press for the entire day.

It was explained that the decision of the Mendagri/LPU Head established a twelve-phase working program of election activities, including voter registration/total citizen population occurring May 1-July 20, 1986; determining the number of members chosen for each voting area July 9-23, 1986; filing of names of candidates (nomination) July 30-September 27, 1986.

After that investigation of candidates September 28-October 17, 1986; determination of candidates/preparation of candidate lists November 17, 1986-February 25, 1987; announcement of candidate lists February 26-March 27, 1987; election campaigns March 24-April 17, 1987 and voting on April 23, 1987.

After that the counting of votes April 24-May 31, 1987; determining election results May 18-June 10, 1987 and the taking of oath/pledge for the Region II Legislature members on July 11, 1987; for the Region I Legislature on July 18, 1987; Parliament/People's Consultative Congress on October 1, 1987.

LPU Leadership Council

Within the LPU a leadership council has been formed, chaired by the Mendagri, with the Minister of Justice and Minister of Information as deputies. Members will be the Minister of Finance, Minister of Security and Order, Minister of Tourism, Mail and Telecommunications, Minister of Foreign Affairs, Minister of Communication, and the ABRI Commander.

Also established was a LPU Review Board chaired by the Minister of Justice and assisted by four vice chairmen: R. H. Sughandi (Karya Development Faction),

Major General Soeharto (ABRI Faction), Ali Tamin (United Development Faction), and Acmad Subagio (Indonesian Democratic Party Faction). Members are Daryono, Toto Prajamanggala, Hardoyo, Burhan Arifin, H. M. Anshory Sjams, Hartono Mardjono, Adipranoto and John Tamahata.

Inauguration of the Chairman of the Level I Region Election Committee and Chairman of the Panwaslak I [expansion unknown] will be December 2, 1985. Inauguration of the PPD II and Chairman of the Panwaslak II will be January 20, 1986. Inauguration of the Chairman of the Voting Committee (PPS) at the kecamatan level and Chairman of the Panwaslak [expansion unknown] will be February 3, 1986.

Formation of the Voter Registration Committee in kecamatan capitals will be approximately April 14-16, 1986. Official announcement or taking of oath for the chairmen of Voting Organization Groups on April 3, 1987. Holding of the election for Indonesian citizens overseas will be organized by the Overseas Election Committee around December of this year.

The Mendagri said the 1987 election is the fourth election of the New Order to guarantee the success of the New Order struggle to maintain the Pancasila and 1945 Constitution, so that preparation for the 1987 election must be increased.

12836  
CSO: 4213/338

INDONESIA

MUHAMMADIYAH LEADER DISCUSSES COMING CONGRESS, ELECTION

Jakarta PELITA in Indonesian 3 Sep 85 pp 1, 6

[Text] President Soeharto hopes that Muhammadiyah, which has become an element of national defense, can, like the strength of supporters, move the people to finish national development.

Speaking when he received the Muhammadiyah Central Executive Council [PP] accompanied by Minister of Religious Affairs H. Munawir Sjadzali M. A. at the Executive Building last Monday, the President said that Muhammadiyah can play a great role in spiritual development and religion which form part of the total development of mankind.

Muhammadiyah PP General Chairman K. H. Fachruddin after the end of the meeting, in quoting the President's explanation said what will be formed is not only for intelligent persons in education and religion but also for intelligent persons of good character.

In addition to K. H. Fachruddin, also attending were other PP members: Vice Chairman Dr H. Kusnadi, Secretaries H. Djarnawi Hadikusmo and Ramli Thaha, and four PP members: H. S. Prodjokusumo, H. Likman Harun, M. Djasman and Ir. Dasron Hamid who is also Chairman of the Muhammadiyah 41st Congress Committee.

K. H. Fachruddin revealed that plans for the 41st Congress began in 1983. At that time the President suggested that the Congress be held at the completion of the Social Organizations Law, so that finally the Congress was postponed and will be held in Solo (Surakarta) this coming December 7-11.

Postponement of the Congress was not because of other factors outside of Muhammadiyah but only so Muhammadiyah and the government did not have trouble.

It is hoped that the above congress will be opened by President Soeharto on December 7th at the Sriwedari Stadium in Solo. The congress will be held at the campus of the Surakarta Muhammadiyah University.

At the same time as the 41st Congress, there will be an Aisyiah Congress (women) which will have 900 participants, an Aisyiah Nasyiatul Congress (young ladies) with 700 participants, a Muhammadiyah Student Congress with

800 participants, and a Conference for Muhammadiyah Students with 350 participants. The Congress itself will have 1,000 official delegates from all territories and branches of Muhammadiyah throughout Indonesia.

"Nostalgia"

Muhammadiyah PP Secretary H. Djarnawi Hadikusumo explained that the Congress now being held after 7 years is also a forum for nostalgia. The largest number is sympathizers and observers, estimated at 500 persons, who are sent from branches. The observers attend the congress meetings but are not allowed to speak.

The congress is also considered a "large party" because along with it there will be various sports competitions, drum band displays, opening ceremonies, as well as scholarly seminars.

As a speciality there will also be a "targi" seminar to discuss Islamic law.

Firm

It was added that PP Muhammadiyah will finally hold the congress because there is already a guarantee of the Social Organizations Law. The 41st Congress will change the constitution to be more in accordance with provisions of the law.

Answering questions about acceptance of Pancasila as the sole principle, K. H. Fachruddin said, "Muhammadiyah is not too late." The problem is that Muhammadiyah has to adapt itself and wait for the birth of the above law.

He added, the Muhammadiyah PP will immediately begin monitoring when the five package political draft law is discussed in Parliament. Muhammadiyah was directly involved in the process of creating the above law; furthermore, it was repeatedly called to the DPR for public hearings to give input and apparently many Muhammadiyah suggestions were later shaped into sections of the law.

When asked about a principle characteristic of Muhammadiyah after receiving Pancasila as a sole principle, spokesman Lukman Harun explained Muhammadiyah will still have a principle characteristic and goal along with Islamic identity. Characteristics and identity of social organizations such as Muhammadiyah are guaranteed by sections of the law, he added.

At this time K. H. Fachruddin explained it is hoped that the acceptance of Pancasila will move flawlessly in the congress. God willing it is expected to go flawlessly and if there are points of concern it will be settled as well as possible, said the general chairman.

When asked about the Muhammadiyah attitude concerning the coming General Election, K. H. Fachruddin said Muhammadiyah is not a political party. Nevertheless, he surrendered in full the problem of choice to the membership, who are now estimated at 30 million persons, along with sympathizers.

"If you choose Golkar, go ahead, Democratic Party of Indonesia or the United Development Party, it is nothing. As long as [nyoblosnya] in the voting booth alone, said the Kiyai who is originally from Yogyakarta, while laughing.

#### Membership

H. Djarnawi Hadikusmo explained that the total membership of Muhammadiyah who are registered and have cards from the PP is 750,000 persons. "But the number of members who are not yet registered at the central office, God only knows," he said while pointing to reporters and saying "Maybe some of them are among you."

It is said that in the 1971 Pemilu Muhammadiyah, which was fused with the Indonesian Muslim Party, obtained eighteen seats in the DPR, meaning a membership of 7.2 million. "Especially today, those who are old have children and grandchildren," he added. In this way, it would not be an exaggeration if Muhammadiyah had an active membership of around 9 million.

Lukman Harun added what is important now is the charity work of Muhammadiyah, which now has 12,000 schools from kindergarten up to higher education, 47 educational institutes accommodating 40,000 students who are directed by approximately 6,000 lecturers.

Total educational investment reaches 50 billion rupiah. Throughout Indonesia Muhammadiyah has 3,000 mosques, 9 large hospitals and thousands of polyclinics and social welfare organizations for orphans. "All of this is listed as Muhammadiyah's which originates from members and sympathizers whose number is difficult to count," he added.

The Muhammadiyah Donated Property Council listed ownership of 8,000 land certificates owned in the name of the Central Executive Council. So that if regional branches wanted to sell without permission, they couldn't," he added.

Land owned by Muhammadiyah is in general for schools, hospitals, social welfare organizations, mosques and the like.

With a joke K. H. Fachruddin added, "When we have 8,500 Muhammadiyah land certificates, the Agrarian Department will say why, apparently Muhammadiyah is a landlord."

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CSO: 4213/337

INDONESIA

# NARO DOES NOT RECOGNIZE PPP FACTION LEADERSHIP

Jakarta MERDEKA in Indonesian 7 Sep 85 pp 1, 11

[Text] The Central Executive Council [DPP] of the United Development Party [PPP] does not recognize the composition of the United Development Faction [FPP] organized by Drs Soedardji, because it is not in accordance with the administrative order of the FPP and party articles.

This was stated by the DPP PPP in a letter of explanation sent to Territorial Executive Councils and Branch Executive Councils concerning the composition of FPP membership in committees, Domestic Management Committee, and Inter-Parliament Cooperating Committee along with those suggested by Drs Soedardji.

The letter signed by DPP PPP General Chairman Dr H. J. Naro S. H. and Secretary General Drs Mardinsyah was also sent to the Minister of Internal Affairs, Commander of the Command for the Restoration of Security and Order, Governor Chief of Level I Regions throughout Indonesia, Commanders of Military Region/Regional Special Executive Officers/Commanding Officers of Military Areas and bupati/mayor KDH Level II throughout Indonesia.

During a press broadcast in Jakarta on Friday, Naro explained that last August 7, the DPP had instructed FPP leaders in the determination of FPP members in DPR committees, BURT [expansion unknown] and BKSAP [expansion unknown] for the 1985/86 session, so that there would not be changes in the membership composition and leadership of committees in the framework of stabilizing harmony.

In the FPP leadership meeting of August 19 it was decided that in the establishment of FPP membership and leadership of committees, BURT and BKSAP, there should first be consultation with the DPP PPP.

At that time the FPP General Chairman Soedardji promised to carry out the decision of the above mentioned FPP leadership meeting.

But apparently Soedardji later established committee membership without going through the decision of faction leadership or consultation with the DPP PPP because that was considered of no use and the actions formed his responsibility.

Because of that, FPP Vice chairman Drs Jusuf Syakir and Deputy Secretary Drs M. Abduh Paddare on August 28 invited all FPP members to a FPP plenary meeting at the DPP PPP office to determine leadership of committees, BURT and BKSAP from the FPP which will be submitted in committee meetings.



INDONESIA

PARLIAMENT SPEAKER CONSIDERS NEW FPP LEADERSHIP LEGAL

Jakarta HARIAN UMUM AB in Indonesian 3 Sep 85 p 1

[Text] The Speaker of Parliament, Amirmachmud, said the composition of the new FPP leadership faction which was made public in the plenary session not long ago is legal as a board of leadership be as it may it will firmly hold to the existing rules of order.

Amirmachmud stated this is answering reporters' questions in his function as head of the Parliament [DPR] leadership meeting at the DPR building in Jakarta on Monday afternoon, responded to DPR voices that the new FPP leadership made public in the plenary session last August is not legal.

The FPP Chairman, Sudardji, and FPP Secretary Taman Achda, have sent a letter to the DPR leadership concerning the destruction of the FPP leadership by transferring five previous leaders, that is, Abduh Padare, Imam Sofwan, Lukmanul Hakim, Yusuf Syakir and Sjufri Helmy Tanjung. Composition of the new FPP leadership was made public in the DPR plenary meeting last August 28th.

Nevertheless the announcement of the new leadership was momentarily considered not legal by FPP members because the personnel did not have knowledge or consultation by other FPP members. Several FPP members later sent letters to board members that what had been announced in the plenary meeting was not legal and conflicts with faction administrative order.

Amirmachmud explained what was announced during the plenary meeting concerning FPP leadership composition was legal. "It is forbidden for me to dissolve that decision," explained Amirmachmud, adding that the DPR leadership will always hold firmly to administrative order and that party administrative order cannot disturb DPR order.

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CSO: 4213/337

INDONESIA

HOME MINISTER OPTIMISTIC ABOUT SOLUTION OF PPP SQUABBLING

Jakarta KOMPAS in Indonesian 9 Sep 85 p 12

[Text] Minister of Internal Affairs Soepardjo Rustam remains optimistic that the break in the body of the United Development Party will be completely finished even though there still occurs small disturbing ripples.

Answering reporters' questions after finishing reporting to President Soeharto at Cendana Street on Saturday, the Mendagri said it is not only his personal conviction, but also represents a conviction of all quarreling PPP leadership.

"Because, although there is agitation, friends from the United Development Party [PPP] feel they are one family and have agreed to unite in accordance with last June's pledge." In Javanese Soepardjo Rustam said, "There is heart to see someone's suffering, but not heart to see his death."

There are small noises which occur, for example, in the election of Parliament committee leaders. According to the Minister, that is possibly because reconciliation occurred only just now, therefore they may still each be embarrassed. But he said in continuation, there are actually no more problems. "If I accidentally meet Pak Naro, Pak Dardji (Soedardji-red), they always laugh."

To the head of state the Minister reported that on Monday he will convey governmental clarification to Parliament concerning plans to revoke Law No 4 of 1970 concerning the free port and trade area of Sabang. Also about plans for a meeting of governors in Jakarta next Tuesday to discuss technical problems for 1987 General election preparation.

Problem of the Riau Governor

Answering questions concerning the case of the choice of candidate for the Governor of Riau, the Mendagri repeated he is still waiting for the Riau Regional Legislature's report concerning the process of selection. For that reason he did not want to give any comment. "I don't want to be reckless in this matter. Later, in time, I shall give an explanation," he said. The Minister acknowledged that he was appointed the PUOD [General Government and Regional Autonomy] Director General, Tojiman, to examine all of the selection process which has occurred. But he also still awaits news of the election.

At the same place, Coordinating Minister for Political Security, Surono, did not want to give a comment. "I do not have a comment at this time," he responded when questioned by reporters on his opinion as the Coordinating Minister for Politics concerning that political event.

It is said that only next week Minister of Internal Affairs Soepardjo Rustam will report to him concerning an explanation of the above mentioned election.

In that election of candidates for the Governor of Riau last Monday, a shock occurred when Imam Munandar, who is now in power and is the candidate relied upon by the Karya Development Faction, only obtained 17 out of 37 votes in the DPRD [Regional Legislature]-Riau. At the same time the third candidate, Drs H. Ismail Suko got 19 votes and another candidate, H. Abdul Rahman Hanid, one vote. This occurrence is the first time such a political event has occurred in the process of an election for governor.

The current governor, Imam Munandar, will end his term next month on October 2nd.

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CSO: 4213/338

INDONESIA

JIHAD COMMAND LEADERS GIVEN STIFFER SENTENCES IN APPEALS

Jakarta SUARA KARYA in Indonesian 5 Sep 85 p 11

[Text] Jihad Command figure Muhamad Sudiyatno alias Salamuddin (32) has recently had his sentence increased at the appeals level in Yogyakarta's High Court [PTY], from 8 years in prison to life.

At the court of first instance prosecutor M. Sharief Joesoef demanded the death sentence for activists in the Warman Terrorist movement, but on May 13, 1985 the Sleman State Court gave an 8 year prison sentence; thus the prosecutor appealed.

The appeals Judges Council Team was directly chaired by the head of the High Court in Yogyakarta, R. M. Tenojo Djojodiningrat S. H., with member judges Nurotip Harahap S. H. and Abdul Kadir Ruslan S. H.

In Decision No. 36/PID/1985/PTY dated August 14, 1985, the judges council said, among others, that the accused was a Jihad Command courier who had been trained by figures of the Islamic Gaos Tauffic community in North Sumatra in 1976, later in 1978 this man, originally from Triharjo Wates, Kulon Progo (Yogyakarta) was promoted as the developer of the Jihad Command faith, whose goal was to fight for Islamic law in Indonesia, replacing Pancasila and the 1945 Constitution along with making Indonesia an Islamic State.

The accused, according to the Judges Council, had taken an oath of allegiance becoming a member of an Islamic community (Jihad Command) and as an organizer had joined in giving the oath to other members.

The accused has high political qualities along with the firm opinion to achieve goals of replacing and changing the Pancasila ideology with Islamic ideology. Thus the accused no longer has the right to live in the Republic of Indonesia.

Three Persons

Sudiyatno is the second person whose sentence was increased by the Yogyakarta High Court. Last June, Jihan Command staff Abdullah Umar's life sentence was increased to the death sentence.

Thus of the three persons of the Jihan Command on trial, there is only Bambang Sispoyo B.A. whose case has not reached the court of appeals.

Last June the Judges council of the Sieman State Court, chaired by Muciadi Wirtodisastro S.H. directly gave the death sentence to the Jihad Command Chief of staff, Territory II Command. Bambang (36) who was always sent from the hall for not respecting the court, was last noted as an employee of State Islamic Institute [IAIN] Sunan Kalijaga in Yogyakarta. As stated by the judge before the sentence was given at that time, Bambang Sispoyo was directly involved in the terrorist movement, among others giving special lessons to Jihad Command members at the Sudirman Mosque in the Kolombo complex, Yogyakarta.

Material for these lessons was, among others, pure Islamic faith, leadership full of responsibility to God, methods of approaching and developing Jihad Command membership, politics and administration of the Islamic State.

Bambang also received orders from Husein, Commander of the Jihad Command, to kill Hanief Hasan Bauw, who was accused of being a traitor to the Jihad Command struggle and exposing the departure of Faried Gozali with the result that Faried was necessarily shot to death in Yogyakarta January 15, 1979.

As an employee of IAIN Sunan Kalijaga, Bambang had the opportunity or information so that he stole more than 4.43 million rupiah intended for employee salaries which had just been taken from the bank by the treasurer on February 1, 1979 at the IAIN campus.

12836

CSO: 4213/337

INDONESIA

SUPERVISION, CULTIVATION OF FORMER PKI DETAINEES DESCRIBED

Jakarta PELITA in Indonesian 11 Sep 85 p 1

[Text] A strategy for the development of former detainees/convicts of the 30th of September Movement/Communist Party of Indonesia [G-30-S/PKI] needs to be fashioned, so that every moment may be watched closely or corrected by using matching strategic measures which are certain.

This was made public by Commission II of Parliament which covers internal problems in its report conveyed by Mudji Budiman to the plenary meeting to the board led by Parliament [DPR] Vice Chairman H. Luddin Lubis at the DPR building in Jakarta on Tuesday.

The major goal of the development of former detainees, according to Commission II, is to make them Pancasila men who experience it and put it into practice in private life, socially and nationally.

Commission II firmly stated there needed to be order on a national scale concerning the obligation to report if they travel and the obligation to use travel letters.

Commission II stated that the resident's cards for former detainees should be given a code which indicates that the holder is a former G-30-S/PKI detainee.

The Commission also stated the importance of careful administrative investigation for transmigration candidates who are former detainees, along with tighter coordination between sending and receiving regional governments.

"This matter will have great benefit in reducing the possibility of efforts of those who change name, appearance and place," said the Commission II spokesman.

Guidance

Development and supervision of former detainees in the regions, according to Commission II, is guided by the Minister of Internal Affairs Instruction No 32 of 1981 along with technical guide No 930.351/4211.

In general at the Region I level a Coordination Team for Implementation and Supervision of Former G-30-S/PKI detainees was formed along with several

authorities concerned, among others the regional government, Special Executive Officer, Police and Office of the District Attorney.

Until now efforts made by the region are in the form of registration, supervision, information and participation in community activities.

Although there is registration, it is nevertheless not easy to supervise them said the Commission II spokesman. From re-registration at the beginning of 1985 there is proof how difficult it is to supervise their mobility, he said.

As an example, in 1984 there were 59 former Group A detainees; 4,636 in Group B; 11,229 in Group C and 443,293 obligated to report in East Java. But in 1985 the number decreased 520, with 98 of those found, according to Commission II.

12836

CSO: 4213/338

INDONESIA

PROCEDURES FOR RETURN OF VOTE TO EX-COMMUNISTS ANNOUNCED

Jakarta KOMPAS in Indonesian 10 Sep 85 pp 1, 10

[Text] Indonesian citizens involved in the 30th of September Movement/ Communist Party of Indonesia [G-30-S/PKI], both those from Group C as well as A and B, are to be considered for the right to vote in general elections after careful investigation. The Presidential Decision of the Republic of Indonesia No 63/1985 dated September 5, 1985 states that, especially for those from Groups A and B, the provisions are for those who have been returned to society or have completed criminal sentences with proof of a letter of explanation from the competent authority at least 1 year before registration for the general election.

In addition to that, as long as they have been in society they must not have or be in the process of a penalty for a criminal offense. Also not with a mental or psychological disturbance along with not having their right to vote revoked by a court decision. Group A is those who were clearly involved directly in G-30-S/PKI, and Group B is those who were clearly indirectly involved. Whereas Group C is those who were found to be instructed or fittingly accused of direct or indirect involvement.

Former members of banned organizations, that is organizations which are declared prohibited by rules of law, also may be considered for the right to vote. That is those who have already obtained amnesty, abolition or clemency.

Investigation

For the above investigation, names of those not able to register as voters will be compiled by the village heads/lurah and Officer for Community Development (Babinmas) with established forms. Based on that list, the village head along with the Babinsa [noncommissioned officer for village control] and Babinmas will make a list of those who it is suggested be considered for their right to vote. That list will be sent to the Governor through the Camat and bupati/mayor as material for the investigation and evaluation at the Level I Region.

In completion the Camat, along with the Military Area Commanding Officer, Section Chief of Police, Military District Commanding Officer and Area Chief of Police will send their evaluation to the governor.



After that it will be sent from the governor to the Minister of Internal Affairs, along with reports of the investigation results signed by the governor and the Sepcial Executive Officer of the Regional Command for the Restoration of Security and Order. To assist them a Level I Region Consideration Committee has been formed (pamtimda). While to assist the Mendagri and Pangkopkamtib [Commander for the Command for Restoration of Security and Order] in the review and legalization, a Central Consideration Committee (Pantimpus) has been formed.

The investigation and evaluation will be done person by person, selectively and carefully, based on the security review. Criteria used will be: indication of characteristics of faith and obedience to the People, Nation and Government of the Republic of Indonesia which is based on the Five Principles and 1945 Constitution; have not been engaged in activities which spread understanding or teachings of Communism/Marxism-Leninism in all forms and manifestations; have not been engaged in activities which cause a disturbance of security or political stability; obey all provisions made by the Pangkopkamtib in the framework of government policy in the area of building stability of security and order; along with obeying all regulations per existing laws.

#### Results

Those whose use of the right to vote has already been reviewed if they have not done any of the previous activities, may have their use of the right to vote reviewed. Also for those who, in previous general elections were not reconsidered, if they have not done any of the above activities, may have their right to vote reviewed.

After going through the investigation and evaluation process, based on the agreement of the Pangkopkamtib, the Pantimpas will send a list of those investigated and a list of those evaluated as able to be given their use of the right to vote to the Minister of Internal Affairs for legalization. And for requirements of voting registration, the Mendagri/Head of the Election Board will send the list to the Voter Registration Committee through the channels of hierarchy.

Use of the right to vote will be canceled if those who have been authorized transpire to engage in activities conflicting with provisions. The decision of the President is valid beginning September 5, 1985.

12836

CSO: 4213/338

INDONESIA

BUSINESSMEN CAUTIOUS ABOUT TRADE WITH PRC

Jakarta SINAR HARAPAN in Indonesian 1 Aug 85 pp 1, 12

[Text] The Indonesian Textile Association (API, Asosiasi Pertekstilan Indonesia), the Joint Marketing Office for Plantations I-XXIX (KPB, Kantor Pemasaran Bersama Perkebunan I-XXIX) and the Indonesian Rubber Producers Association (Gapkindo, Gabungan Pengusaha Karet Indonesia) are in favor of the commercial transaction that has been signed in Beijing but they also feel that there is a need for caution and that the terms covering the implementation of the transaction must be scrutinized.

The API says that it is awaiting a report from Max Mulyadi, an API executive who was one of the signers of the draft agreement on textile trade between the two countries. The KPB feels that it cannot make a serious response until it is familiar with the terms of purchase. And Gapkindo says that the PRC's request will be met if the type of natural rubber they need is produced in Indonesia.

Commenting on the transaction for the sale of textile production stock that was completed between Indonesia and the PRC in Beijing on Monday evening [29 July], API General Chairman Drs Frans Seda said that it gave Indonesia an opportunity to diversify its textile markets in other countries.

The agreement states that the PRC is prepared to buy \$60 million worth of textile production stock from Indonesia in the 1-year period beginning on 29 July 1985. The production stock is to consist of 5,000 tons of polyester fibers, 8,000 tons of polyester textured yarn, 4,000 tons of acrylic fiber and top, and 200 tons of stretch yarn. Indonesia will buy 50,000 tons of cotton from the PRC.

Speaking to a SINAR HARAPAN reporter on Wednesday afternoon [31 July], Frans Seda warned that we must be cautious in our textile trade with the PRC "because we are trading in textile production stock, rather than finished textiles, and the trade is being handled in the PRC by a state company and not a private company."

He also said that API was forming a team headed by Drs Ian Daskian, API's functional chairman for foreign trade, to study the results achieved by the Indonesian Chamber of Commerce and Industry in pioneering direct trade

relations with the PRC and all aspects of this subject, particularly where textile products are concerned. The team's findings will be submitted to the government and to businessmen to provide them with input and recommendations on the handling of these trade relations.

#### Not Manipulated

"This is the beginning of direct trade relations between Indonesia and the PRC, and these relations must have a healthy foundation to ensure that we are not manipulated," Frans Seda said.

Describing an incident that occurred in August 1965 when he held the position of minister of estates, Seda said that he was instructed by the government to supply the PRC with 90,000 tons of RSS I rubber in exchange for rice and fertilizer. At that time trade between Indonesia and the PRC was carried out under the barter system.

Upon looking into the situation he found that the rubber earmarked for sale to the PRC was to be re-exported to another country, which meant that Indonesia would have to compete against its own rubber on the foreign market. Also, the fertilizer the PRC was selling to Indonesia came from Italy, and Indonesia was already purchasing fertilizer from this source.

"This demonstrated that Indonesia eventually would have to compete against its own products in the foreign market and would have to buy a commodity from a selling country through a third country. This is a damaging situation and the government must give some thought to it," Seda said.

Frans Seda, as minister of estates, refused to carry out the government's instruction on the grounds that purchasers in Europe and the United States had long term contracts for the rubber produced by state plantations. At that time rubber was being produced only by state plantations.

Frans Seda, who has also held the positions of minister of communications and minister of finance, said that he is apprehensive that there will be a recurrence of the past trading practices of the PRC in the forthcoming direct trade between Indonesia and that country, and that he is particularly concerned about the textile trade since Indonesia will sell textile production stock rather than finished textiles to the PRC. The government and private businessmen must take this into account when making commercial contracts with the state companies in the PRC, he warned.

#### Not To Be Deceived

Seda also warned that the government and the public must be cautious about direct trade between the two countries and its impact on domestic markets, national industrial growth and capital investment, since the appearance of PRC goods on Indonesian markets could threaten the life of local industry.

He said that he agreed with the statement made recently by Drs Abdul Latief, the executive director of PT Sarinah Jaya, when he warned the public not to be deceived by the potential of PRC markets.

Latief said that the goods produced by the PRC and the goods produced by Indonesia were essentially the same, but that the PRC had a relatively cheap labor force, a fairly high level of technology and a high level of productivity. Consequently, PRC goods will provide Indonesian goods with stiff competition and will be even more competitive if the PRC carries out a "price dumping policy."

#### Cacao and Rubber

Drs H. Samingoen, the KPB deputy chairman, says that the PRC wants to buy 2,000 tons of cacao from Indonesia in 1985 and that this is a fresh wind for Indonesia.

"However, we must first look at the terms of purchase and other terms relating to this transaction," he told a SINAR HARAPAN reporter in Jakarta on Wednesday afternoon. He said we cannot make a serious response to the PRC because we are not yet familiar with the terms of purchase. He noted that Indonesian estates are producing cacao at a rate of 18,000 to 20,000 tons a year at the present time.

Indonesia's cacao exports to Western Europe, the United States, Japan and other countries already have reached 18,000 tons "so at the present time we are not having any problem in marketing cacao production," he said.

If the price offered by the PRC is competitive with the prices offered by the other countries that import Indonesian cacao then we will accede to their request, but if their price is the same or even a little higher than the price we now get then it would be best for us to keep the customers we now have, he said.

Meanwhile, Engr Harry Tanugraha, the executive director of Gapkindo, says that reports that the PRC wants to buy natural rubber from Indonesia are very good news since Indonesia's market for natural rubber is depressed at the present time.

"If they are really asking for 75,000 to 100,000 tons it can raise the price of Indonesian natural rubber and the price of natural rubber on world markets, for 100,000 tons is no small amount," he said.

#### Type of Rubber

He said that the PRC's request will be met if the type of natural rubber they need is produced in Indonesia. "We must avoid repetition of a recent situation in which a company contracted to supply rubber to the PRC without realizing

that the type of rubber wanted by the PRC was difficult to obtain in Indonesia in any large amount.

He said the company was not familiar with the natural rubber situation and was not a member of Gapkindo. It came to Gapkindo only after it had trouble obtaining 2,000 tons of low quality natural rubber. "I said that it was too late because only a small quantity of this type of rubber is produced in Indonesia," he said.

He said that 1.1 million tons of natural rubber was produced in Indonesia in 1984 but production is expected to decline to less than 1 million tons in 1985. He did not explain the reasons for the decline.

5458

CSO: 4213/316

INDONESIA

CAVEATS ON TRADE WITH PRC

Jakarta SINAR HARAPAN in Indonesian 5 Aug 85 p 1

[Text] Businessman H. Probosutedjo warns all Indonesian businessmen to exercise caution in trading with the PRC, particularly in the matter of prices, "because, in any case, the PRC will try to push prices down as low as possible."

Speaking to a SINAR HARAPAN reporter on Saturday [3 August], Probosutedjo said, by way of example, that when the PRC imported cement from Indonesia some time ago the imported cement was sold within the country at the very low price of \$29 a ton even though the import price was \$70 a ton.

He also said that PRC corporations sometimes unilaterally cancel contracts with businessmen in other countries. He noted that the PRC, after placing a \$30 million order for 2-wheeled motor vehicles with Taiwan, suddenly canceled the order. "That is the problem in trade relations with communist countries. They cancel out unilaterally. We are just looking for trouble. Indonesian businessmen must be kept out of situations like this," he said.

One By One

If we want to have direct trade relations with the PRC we should not sign trading contracts but instead should have letters of credit opened from the PRC to Indonesia and quickly ship the goods from Indonesia.

And if we do sign trading contracts then the contracts should not be comprehensive but should be for single types of commodities on a one-by-one basis. Indonesian businessmen will be in a helpless position if comprehensive trading contracts are signed and the contracts are unilaterally canceled, he said.

With regard to the possibility that PRC goods will flood into Indonesia and pose a threat to local industry, Probosutedjo said that Presidential Instruction No 9 of 1985, which provides guidelines for the implementation of direct trade between Indonesia and China, states that, in principle, all types of goods can be imported from the PRC provided that the government's policy on the protection of domestic industry is observed.

"We do not need to import goods that already are being manufactured here but we can import production stock that is really needed and not being produced in Indonesia," he said.

INDONESIA

## NEW FARM CREDIT PROGRAM

Jakarta KOMPAS in Indonesian 2 Aug 85 p 2

[Text] According to information supplied to a KOMPAS reporter by Engr H.L. Gaol, the third assistant coordinating minister for economics, finance and industry, the government is allocating a farming credit (KUT, Kredit Usaha Tani) of approximately 80 billion rupiah for the 1985-86 planting season to help farmers produce rice and other food crops.

The credit replaces the Bimas credit that was terminated last year, and, according to Gaol, 21.5 billion rupiah has been available since this year's dry season.

Gaol said that because of various problems only a few farmers were able to make use of the credit that was provided for the dry season. One of these problems, namely, the selection of KUDs [village unit cooperatives/koperasi unit desa] that will distribute the credit, has been mentioned by Engr Wardoyo, the junior minister for increased food production.

Gaol said that the Department of Cooperatives has nominated 1,445 KUDs to participate in the KUT program, but to be selected for the program a KUD must have paid off the Bimas credit issued before 1984 and also must have repaid at least 60% of the Bimas credit issued for the 1984 planting season. Only 1,194 KUDs meet these requirements. They are located in 26 provinces with the largest number, 246, in East Java.

It is estimated that the credit will reach 80 billion rupiah, and Gaol is optimistic that it can be distributed in the 1985-86 planting season because interdepartmental teams are now moving through the regions introducing the new program.

### Requirements

Credit packets in the amount of 80,000 rupiah are opened for each farmer who grows rice or another type of food crop. The farmers may draw all or part of the credit in cash. If a farmer wants to take the credit in kind, the case must be reviewed by the head of the Bimas executive committee for the district (kabupaten), i.e., the district head.

The amount of credit referred to above is used as a guide. A farmer who needs more credit can obtain it with the recommendation of the head of his farmers' group.

The KUT program is open to farmers who own and work their own land. A farmer who works land owned by another person can participate in the program if he has a letter of authorization from the land owner and the letter is approved by the village chief. Farmers working in special agricultural intensification projects can obtain credit through the program by submitting an application through the head of their farmers' group.

Farmers working in general agricultural intensification projects should submit their credit applications to a KUD. These applications must be submitted with the knowledge of the village chief, and certain requirements also must be met. For example, the agricultural production being financed with the KUT loan funds must be used as security for the credit, and the farmer must put up collateral in the form of title to personal property or real estate that is not being used as collateral for any other loan.

The credit application must be submitted to a KUD 1 month before planting time by the farmer himself or by the head of his farmers' group. If the village has no KUD then the application can be submitted to the nearest KUD that has been authorized to handle applications by the local office of the Department of Cooperatives. And if there are no nearby KUDs, the farmer can obtain a rural general credit (Kupedes, Kredit Umum Pedesaan) from the village office of Bank Rakyat Indonesia.

#### Repayment of Credit

Gaol said that the farmer or farmers' group must repay the credit no later than 7 months after receiving it. It can be repaid in installments and in cash or in kind. If repaid in kind then the amount of repayment credited to the farmer will be based on the price schedule in the moisture and contamination allowance table when he sells his rice or food crop to the KUD.

Payment will be made directly to the KUD cashier 1 week after the head of the farmers' group notifies the members of the group that payment is due.

Gaol said that he realizes that this is a time consuming procedure. However, he said, all the farmer has to do is to contact the head of his farmers' group, except in those areas where farmers' groups are not yet functioning.

Gaol also said that this course must be followed because the objective is to teach the farmers to be more responsible and to be conscious of their rights and obligations.

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CSO: 4213/316



INDONESIA

ILLEGAL IMMIGRANTS TO BE DEPORTED

Jakarta SINAR HARAPAN in Indonesian 2 Aug 85 p 12

[Text] Kardoyo, the immigration coordinator for Central Java and Yogyakarta, has stated that 26 illegal immigrants in the two regions must be immediately deported from Indonesia following court hearings. Kardoyo made the statement to reporters at the immigration office in Semarang on Thursday afternoon [1 August] following a ceremony in which the position of head of the Central Java and Yogyakarta Immigration Office was transferred from Djuwarso to Mulyarto.

Kardoyo said that the immigrants were known to be in the area and that they were young people of Chinese descent who had left Indonesia following the 30 September Movement. "They must be prevented from taking up residence on one of the islands in West Nusatenggara, and in any case, firm action must be taken against them so they can be processed and sent back to their country of origin," he said.

Persons of Chinese descent are grouped into 3 categories according to when they left Indonesia: the first group left between 1953 and 1955, the second following the issuance of Government Regulation No 10 of 1960 and the third following the outbreak of the 30 September Movement.

He added that this group returned to Indonesia because they still have older relatives here, and that they have not yet received citizenship in their new location.

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CSO: 4213/316

INDONESIA

DUAL FUNCTION, TERRITORIAL COMMANDS OF ARMED FORCES

Jakarta HARIAN UMUM AB in Indonesian 3 Aug 85 pp 1, 11

[Text] General L.B. Moerdani, commanding general of the armed forces, has stated that the performance of nonmilitary assignments by military personnel is not, in itself, the second function of the two functions of the armed forces.

Rather, he said, the performance of nonmilitary duties is only one facet of the second function of the armed forces. The number of military personnel assigned to nonmilitary duties may be large or small and can be restricted according to need, but the characteristic of being a social force will continue to be a distinguishing feature of the armed services. This system of values will not disappear because it is institutionalized in, attaches to and is an integral part of the leadership of the armed services, he said.

The general made these comments on Thursday evening [1 August] in the auditorium of the Navy Dental Institute in Jakarta at the closing session of the Armed Forces Territorial Coordination Meeting for 1985.

The general said that the matter needs to be clarified as it is felt that it is not clearly understood, particularly outside the armed forces. Misconceptions must be removed and this can be done, first of all, by strengthening the recognition of this system of values within the armed forces themselves, and it is felt that this territorial forum of the armed forces provides the right vehicle for reclarifying and reinforcing the concept. The general also said that the misconceptions about this matter that are found outside the armed forces seem to have their source in the belief that the performance of nonmilitary assignments by military personnel is the second function in the dual function of the armed forces.

According to the general, the role of the Indonesian armed forces developed from their territorial doctrine and demonstrates that they are more than armed forces, that they are also a social force and can play a part in promoting nonmilitary functions.

This role of the Indonesian armed forces has become a system of values and is institutionalized in the armed services. The members of each generation of the armed forces have recognized and absorbed this system of values, have

applied it in their attitude and conduct, and it has become known as the dual function of the armed forces. Therefore, the dual function of the Indonesian armed forces (the role of the armed services as a defense and security force and as a social force) is a system of values that does and will continue to attach to the armed forces and that will never disappear.

"Another subject I want to touch on in this territorial forum of the Indonesian armed forces concerns the nature and structure of our territorial commands and units at the present time. First, I would like to remind you the present territorial commands and units developed from the 'island commands' and 'military districts' (Wehrkreise) of the war for independence," the general said.

"And in view of this historical consideration I want to emphasize that each of the territorial commands that now exist must maintain a national viewpoint and not just look at the interests of the ground component," he said.

"Since the territorial defense commands are not functioning and the territorial commands of the sea and air components and the police force no longer exist, then the remnants of component-based viewpoints have been completely eliminated," the general said.

"This measure also is compatible with the principles of efficiency practiced by the Indonesian armed forces. Therefore, the territorial commands that now exist must think about the interests of the sea and air components and police units in their territories. They must realize that the strength of the sea and air components has its source in the potential of the ground component and must be built up there. This also applies to police units, since the duties of the police force and territorial problems are closely connected," he said.

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INDONESIA

BIOGRAPHIC INFORMATION ON INDONESIAN PERSONALITIES

[Unless otherwise noted, the following information on Indonesian personalities has been extracted from Indonesian language sources published in Jakarta.]

DJOEMARDI DJOEKARDI--On 7 June, A. R. Ramly, principal director of PERTAMINA [National Oil and Natural Gas Company], inaugurated Djoemardi Djoekardi, age 59, as the new chief of BKKA [Foreign Contractors Coordinating Body], replacing M. A. Warga Dalem. Djoemardi Djoekardi was born in Bandung on 2 February 1926. His previous job was vice president of JIOC [expansion unknown] in Tokyo, Japan. Other important positions he has held with PERTAMINA include posts as manager for general affairs of DKKA (now BKKA), KORWIL [regional coordinator] IV at Balikpapan, member of senior staff of the general director, active director of the Far East Oil Trading Company [FEOT], and director of the board of directors of PT [limited company] Perjahl Leasing Indonesia in Jakarta. Before coming to PERTAMINA, Djoemardi Djoekardi worked as a translator at the Ministry of Information in Bandung (1945-46), taught at the Pengungsian Middle School at Cineam (1947-45), and taught at the Bandung Physical Education School (1953). [Text] [Jakarta WARTA PERTAMINA in Indonesian Jun 85 p 11] 6942

SOEWARNNO, SH--The attorney general today inaugurated Public Prosecutor Soewarno Hardjooetomo, SH [master of laws], as KAJATI [chief public prosecutor] for East Java. Soewarno, SH, who was born in Madiun, served as KADJARI [chief of Office of the State Prosecutor] in Sidoarjo in the 1960's. He was then promoted to the position of assistant for management in the KEJATI [Office of the Public Prosecutor] for East Java. Following that, he left Java and served as KAJATI for West Sumatra at Padang. Soesandi, SH, is to be assigned as secretary to the Public Prosecutor for Criminal Matters in association with Himawan, SH, former KAJATI for West Java. [Text] [Surabaya SURABAYA POST in Indonesian 16 Jul 85 p 2] 6942

BRIG GEN PIETER SAMBO--By authority of the commander of ABRI [Indonesian Armed Forces], Brig Gen (Police) Pieter Sambo (age 50) has been appointed as chief of Regional Police [KAPOLDA] for North Sumatra, replacing Brig Gen (Police) Drs Achmad Djuaeni. The transfer of authority is to take place on 25 July, with KAPOLRI [Chief of Indonesian Police] Gen (Police) Anton Sudjarwo acting as inspector of ceremony. Brig Gen Djuaeni becomes assistant for KAMTIBMAS [community security and order] to KASUM [chief of General Staff] of ABRI. Pieter Sambo's previous post was as KAPOLDA for Irian Jaya, which was

transferred to Brig Gen (Police) Drs Suntono on 16 July. Pieter Sambo, who was born at Rantepao, Toraja, South Sulawesi, qualified as paratrooper and ranger and has held positions as chief provost of POLRI [Indonesian Police] and as chief of Police Headquarters Detachment in Jakarta. He was the first chief of police for East Timor after the integration of that area into the Republic of Indonesia. Pieter Sambo is known for his participation in parachuting, karate and water sports. [Excerpts] [Jakarta SINAR HARAPAN in Indonesian 20 July 85 p 12] 6942

COMMODORE IMAN TAUFIQ--The post of assistant to KASAL [Navy chief of staff] for planning and budget [ASRENA KASAL] was transferred last Wednesday [17 July] from Rear Admiral Kusnandar, MS, to Commodore Iman Taufiq in the SRENA [Planning and Budget Staff] Room of the KASAL at Navy Headquarters, Jakarta. Transfer of the post was made because Rear Admiral Kusnandar has been assigned as commander of the Navy Training Command [DAN KODIKAL] in Surabaya. Commodore Iman Taufiq previously served as deputy commandant of the Navy Staff and Command School [DAN SESKOAL] in Jakarta. [Excerpt] [Jakarta HARIAN UMUM AB in Indonesian 22 Jul 85 p 6] 6942

COL TONI HARTONO--Magelang, AB--Maj Gen Untung Sridadi, governor of the Military Academy [AKMIL], recently inaugurated Col (Cavalry) Toni Hartono as deputy governor [WAGUB] of the academy. The post of deputy was previously held by Brig Gen Soekarto. Col Toni Hartono (age 46) was born in Cilacap and completed his training at the National Military Academy in Magelang in 1961. The field grade officer was educated both in Indonesia and abroad and has held a number of positions in the Army. He speaks English fluently. He was commander of KODIM [Military District Command] 0705/Magelang from 1974 to 1976, and his most recent post was as PABAN [assistant officer] V/BINDIK [management and training] to the SOPS [Operations Staff] at MABES TNI-AD [Army Headquarters]. Brig Gen Soekarto, who was WAGUBAKMIL from 1983 to 1985, was promoted to Assistant for Planning and Budget [ASRENA] to KAS TNI-AD [Army chief of staff]. [Excerpt] [Jakarta HARIAN UMUM in Indonesian 25 Jul 85 p 6]

MAJ GEN C. I. SANTOSA--A ceremony for the transfer of the post of SEKJEN [secretary general] of DEPTRANS [Department of Transportation] from H. Widarto to C. I. Santosa was held on Wednesday [31 July] in Jakarta. Brig Gen (Ret) Widarto (age 60) had been secretary general since the DEPTRANS was established 2 years ago. Prior to that, he was chairman of the DPRD [regional legislature] for Central Java. C. I. Santosa was previously on active duty with HANKAM [Defense and Security]. Maj Gen C. I. Santosa (age 55) served as an RPKAD [Army Para Commando Regiment] battalion commander [DAN YON] in the crushing of the G-30-S/PKI [30 September Movement/Indonesian Communist Party] revolt in Jakarta and Central Java. Earlier, during the revolution, he had joined the Student Army in Solo and later entered the Army Officers Training Center (P3-AD) in Bandung in 1950, along with L. B. Moerdani (now PANGAB [Armed Forces Commander]), the late Goenawan Wibisono, Soeweno (PANGKOSTRAD [commander of Army Strategic Command]), Dading Kalbuadi (ASLOG [assistant for logistics] of ABRI), and M. I. Soetarjo (ASINTEL [assistant for intelligence] of ABRI). Following that, they energetically joined the red beret corps in 1953-54. In 1965, Maj Santosa became DAN YON I/RPKAD, replacing Maj Benny Moerdani. A few months later, at dawn on 1 October, the G-30-S/PKI revolt erupted. Santosa's battalion was ordered to recapture the RRI [Radio

Indonesia] and TELKOM [telecommunications] buildings. The RPKAD company commander tasked with that vital project was 2d Lt Sintong Panjaitan (now DAN PUSPASSUS [commander of Special Forces Center]). His battalion was then ordered to recapture Halim Perdanakusumah Air Base while at the same time avoiding casualties. Major "C. I.," as he is called, organized the attack for dawn on 2 October 1965, with the help of Battalion 328/"Kujang" and a cavalry company. The red beret forces slipped in from the rear and captured the base with few casualties. After that, his name became well known. During student demonstrations in 1966, he was frequently seen at the side of RPKAD Commander Col (at that time) Sarwo Edhie Wibowo and Lt Col Goenawan Wibisono. His name "disappeared" when he changed careers. It reappeared in 1978, when, with the rank of colonel, he became PANGDAM [Military Region commander] XVII/"Cendrawasih" in Irian Jaya. In 1983, he became ABRI assistant for nonmilitary functions, with the rank of major general, a position he retained until replaced by Maj Gen Roestandi. [Excerpts] [Jakarta SINAR HARAPAN in Indonesian 31 Jul 85 pp 1, 12] 6942

CSO: 4213/311

INDONESIA

BRIEFS

ELECTION DATE RECTIFIED--In connection with reports in several newspapers which quoted sources of the General Election Board [LPU] Bureau of Public Affairs stating that April 23, 1987 would be the 1987 Voting Day, the head of the LPU Bureau stated the following: 1. April 23, 1987 which has been given as the 1987 Voting Day is not correct; the above date is an internal preparation for LPU circles. 2. In accordance with General Regulation No 35 of 1985, Section 96, Paragraph 2, the day and date for voting is determined by Presidential Decision. 3. Until now determination concerning the day and date of the 1987 Pemilu still awaits Presidential decision. So goes the correction provided by the head of the LPU Bureau of Public Affairs, H. Ismael Hassan S. H. in Jakarta yesterday. [Text] [Jakarta SUARA KARYA in Indonesian 12 Sep p 12] 12836

CSO: 4213/338

LAOS

# VIENTIANE CHIEF ON SECURITY, ECONOMIC DEVELOPMENTS

Vientiane VIENTIANE MAI in Lao 23 Aug 85 pp 3, 4

[Interview with Khambou Sounisai of the Party Central Committee, chairman of the Vientiane Administrative Committee, by a staff reporter on the occasion of the 10th anniversary of the seizure of power in Vientiane on 23 August"]

[Excerpts] [Question] How have the people of the ethnic groups, cadres, soldiers and police in Vientiane promoted their heritage of persistence and the spirit of 23 August in the construction of their new life over the past 10 years?

[Answer] After a few more months of good preparations, Vientiane will gloriously open its own party congress. Thus, the 10th anniversary of the victory of the power seizure of the people in Vientiane and of the Lao people of the ethnic groups nationwide this year has great significance for political life.

Since the day power was seized on 23 August 1975 to 23 August 1985, Vientiane has changed in ways which have become great achievements and a source of satisfaction that the people in Vientiane have enjoyed. In terms of political ideology and the organizational aspects, they have up to now been very well educated by the party and government. The people of the ethnic groups, cadres, soldiers and police throughout Vientiane have a much higher political awareness than before. They have a better awareness of Marxist-Leninist theory and a deeper understanding of party and government policies than before. They have patriotism and a love for socialism.

National defense and security have been strongly and systematically improved, constructed and extensively expanded. The people have awakened and voluntarily carried out national defense and security. Party and government offices and organizations, diplomat offices and international offices along with the population bases and also wards and villages have all organized guards very well. As a result, the enemies' schemes that are meant to dismantle Vientiane and the basic peace and order of society were painfully defeated.

In terms of economics, previously there was a completely capitalist economy. There is now rapid change. The people and farmers have awakened and discarded private-sector agricultural production and have gradually carried out socialist production. As many as 168 agricultural units which were socialist outgrowths



were set up. Here many tens of units were outstanding. The cultivation of wet-rice and dry-season rice was expanded. There are over 37,000 hectares of wet-rice fields throughout Vientiane in 1985, and over 8,000 hectares for dry-season rice. Vientiane now has many tens of small and mid-size irrigation systems. There are many tens of important water pumping stations that have either been completed or are under construction in many places. Animal husbandry and the growing of crops have been extensively carried out both in collective form and by the families of the cadres and the people. In the markets there normally is meat, fish, food, vegetables and different fruits at suitable prices.

The state trade network and the people's collective trade network have expanded one step further. At the district level there are district stores in all seven districts under Vientiane. At the village level we have organized people's trade co-ops which now have over 168 units. There is also a partnership company between the state and private sectors which engage in exporting and importing and both wholesale and retail distribution and which is now converting strongly at the grassroots level. Many tens of state schools, restaurants and tailoring shops have been improved and set up to provide good service to guests and working people. A clear separation of the level of protection between the districts and Vientiane was also carried out. Now the market in each district is being improved and allocated in a beautiful orderly manner. Another new factor is that we are strongly and effectively changing to trade toward the east and are involved in trade with Hanoi and Ho Chi Minh City.

Many of the factories of the capitalists who fled the country have been revived and constructed. They are now owned by our workers and are producing on a normal basis. They are steadily increasing the production of materials and goods for the public. There is a strong focus on industrial expansion among the people. The finances, taxes and the banking network have strongly expanded down to the grassroots. Private merchants are registered in over 5,000 bases. They have awakened to carry out their obligation in paying taxes to the government very well. The cadres and workers have bought the savings lottery and have actively deposited their savings. Each year there is a balanced budget for income, expenses and cash. In addition, the bank has been able to earn extra revenue in order to carry out its obligation to the central echelons.

A new socialist culture has been established. Art and literature units with patriotic and advanced socialist themes have appeared among the masses. The achievements and victories scored by Vientiane have come from the correct leadership of our party and the persistent spirit of our cadres, combatants, workers and the people of all social classes who have strongly and with determination taken part in national defense and socialist construction and because of the cooperation and special solidarity with Vietnam and Cambodia, particularly with Hanoi, Ho Chi Minh City, Phnom Penh and the capitals of other fraternal socialist countries.

In order to promote the spirit of the upcoming 10th anniversary of 23 August in the actual work in each area, and also to emulate each other in scoring achievements for the Vientiane Party Congress and National Day on 2 December, we must focus on the following:

1) Dismantle the enemies' destructive schemes in a timely manner; engage in guard duty in the offices, organizations, bases, wards and villages throughout Vientiane so there will be peace and order; and ensure 100 percent security for the party congress of Vientiane and the celebration of the 10th anniversary of the establishment of the LPDR.

2) Work on wet-rice production in time with the season; take care of the wet-rice so it will grow very well; prepare dry-season rice growing for a successful harvest; guide and raise the standard of living of the people of the ethnic groups so they will basically have peace; focus on industrial, handicrafts and forestry production on a normal production basis and for profits based on the expected figures; improve and expand handicrafts in order to produce domestic goods and to expand greatly; push forward trade, finance, taxes and banking so as to earn a high income; focus on collecting agricultural taxes; purchase and exchange rice more than before; and mobilize private merchants to pay taxes on a normal basis according to regulations. Communications, transportation and posts and the base construction must focus on improving and constructing the downtown district, for examples, roads, drainage ditches and other construction projects for the two historic days so they will be completed prior to 2 December for the 10th anniversary.

9884

CSO: 4206/181

LAOS

BRIEFS

VIENTIANE COFFEE PRODUCTION--In the first half of this year the cadres, workers and government employees in the Vientiane Ground Coffee Production Plant under the Industry, Handicrafts and Forestry Section in Vientiane all actively and enthusiastically carried out their specialized task. During this period they were able to produce a total of 10,548 kg to serve the masses. Of this amount 9,713.5 kg was No 1 coffee, and 834.9 kg was No 2 coffee. They were able to exceed the expected plan by 548.4 kg. [Excerpts] [Vientiane VIENTIANE MAI in Lao 29 Aug 85 pp 1, 4] 9884

LOTTERY BANKING--On the morning of 16 August a ceremony was held in the office of the State Bank to summarize the 1984 savings deposited in the Special Bank under the chairmanship of Mr Leun Sombounkhan, assistant chairman of the State Bank. During the ceremony Mr Bounsong Sommalavong, chief of the Special Bank, summarized the 1984 savings deposited in the Special Bank. He pointed out to the meeting that lottery savings had been deposited since April 1984. In December of the same year they distributed a total of 6,509 lottery savings, and only 96 of them were returned. Moreover, there has been a great increase in other savings deposit services, for example, the types with and without time limits. This was demonstrated by completed figures for the past 1-year period in which the number of savings depositors had increased to 4,305, a 2.75 increase compared with the number of depositors in the year plan, and the savings deposits total had increased to 3,720,178 kip or a 377.8 percent increase in the year plan. [Excerpts] [Vientiane VIENTIANE MAI in Lao 19 Aug 85 pp 1, 4] 9884

VIENTIANE DISTRICT MILITARY OPERATIONS--In the first half of 1985 the personnel in the military headquarters in Saisettha District, Vientiane Province, all carried out their specialized tasks with enthusiasm. They were able to suppress a total of 100 evildoers, of which 69 were criminal cases, 37 were social cases, 89 were reeducated in reform schools and 7 were sent to be reformed. They also seized some materials as evidence. Along with carrying out their specialized task they also trained people for additional forces. [Excerpt] [Vientiane VIENTIANE MAI in Lao 17 Aug 85 pp 1, 4] 9884

VIENTIANE CAPITAL TRADE UNIONS--There is now a total of 5,693 trade union members throughout Vientiane. In the first half of this year they had 261 new members, of which 104 were women. [Excerpts] [Vientiane VIENTIANE MAI in Lao 15 Aug 85 pp 1, 4] 9884

5 November 1985

LUANG PRABANG DISTRICT TRADE--In the first half of 1985 the cadres and workers of Luang Prabang District Trade in Luang Prabang Province distributed and sold various kinds of goods to the people of the ethnic groups extensively, valued at over 34,595,400 kip, and they purchased and exchanged over 8 tons of different forest and ricefield products including over 3 million kip worth of cardamom, benzoin, resin, garlic and white sesame seed. [Excerpt] [Vientiane KHAOSAN PATHET LAO in Lao 28 Aug 85 pp A9, 10] 9884

SARAVANE COOPERATIVE DRIVE--Since 1985 throughout Saravane Province there is a total of 287 agricultural co-op units, an increase of 143 as compared with the number for 1984. These co-op members are now quickly and energetically planting and taking care of their wet rice in order to ensure that the expected production figure is met. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 17 Aug 85 p A5] 9884

SARAVANE BANKING--Since early 1985 the people of ethnic groups along with soldiers and cadres in various organizations throughout Saravane Province have deposited their savings in their provincial branch of the State Bank. Now there is a total of over 1.4 million kip. [Excerpt] [Vientiane KHAOSAN PATHET LAO in Lao 17 Aug 85 pp A7, 8] 9884

CSO: 4206/181

PHILIPPINES

FOURTEEN KILLED BY NPA STRAFING IN SAMAR

Cebu City SUN STAR DAILY 30 Sep 85 p 19

[Text]

**Fourteen persons, including 11 civilians, were killed and four others wounded when a heavily armed New People's Army (NPA) band strafed four houses owned by four former NPA members in Barangay Tabao, Sta. Rita, Samar, early Saturday morning.**

The survivors of the attack were brought to the Daniel Romualdez Memorial Hospital in Tacloban city.

One of the wounded, Almera Lacambra, 25, married, told the PNA in an interview at the hospital that the attack lasted for about 10 minutes.

She said the incident was prompted by the open support given by former NPA members to the military in fighting off the subversive terrorists in the area.

The other three wounded victims were identified by Lacambra as her sister-in-law Maria Teresa Lacambra 19, married, Jun Orio, alias Yoyo, another NPA surrenderer and his mother Rosing.

Almera Lacambra narrated that although wounded, Orio and two other former NPA members - Roger Polito and Basilio Lacambra - engaged the attackers in a furious

firefight which resulted in the killing of two of the NPAs. The NPA fatalities were not identified.

The counter-attack by the residents forced the remaining NPA band to withdraw.

**CAPTURED**

The residents recovered from the two slain dissidents two Armalite rifles, one M-16 rifle, one M-14 and a walkie-talkie radio set.

Members of the 20th infantry battalion of the Philippine Army pursued the attackers and captured one of them. He was identified only as a certain Meling.

Almera Lacambra said those killed in the attack were Lito Orio, alias Satoy, 30 an NPA surrenderer, his wife and father whose names were not immediately known, the father-in-law and brother-in-law of Almera Lacambra, six members of Roger Polito's family, including his father and mother, and an unidentified visitor. (PNA)

CSO: 5600/4310

PHILIPPINES

GOVERNMENT MAY DEFER LIFTING OF IMPORT RESTRICTIONS

HK090654 Hong Kong AFP in English 0555 GMT 9 Oct 85

[Text] Manila, Oct 9 (AFP)--The Philippine Government may defer the lifting of import restrictions on certain items in the wake of Filipino manufacturers' mounting protest, a Manila newspaper today reported.

The BUSINESS DAY cited Deputy Trade and Industry Minister Edgardo Tordesillas as saying the government would consider deferring lifting import restrictions on certain items "if there is enough justification" but did not elaborate.

Mr Tordesilla's statement came as Filipino manufacturers raised fear that the impending liberalization of imports would ruin local industries that have yet to recover from the country's economic crisis.

The liberalization plan, set to be implemented by the end of this year, is believed to be one of the measures demanded by the country's major creditors in exchange for a financial rescue program worth 10 billion dollars.

The country started a continuing moratorium of repayment of foreign loan principal due to 480 banks on October 17, 1983 when the economic crisis exploded. Its total foreign debt is officially estimated at 25.2 billion dollars.

BUSINESS DAY said at least three industries--the glass, tire and canned meat processing sectors--had submitted position papers to the board of investments, justifying the need to postpone import liberalization.

Mr Tordesillas noted that the government had been working on the mechanics of such safeguards as anti-surge and anti-dumping measures designed to protect local industries from the free entry of imports, the daily said.

CSO: 4200/58

PHILIPPINES

BRIEFS

COPPER-MINING COMPANY'S OPERATIONS--All open pit mining and the operation of two other concentrators of Atlas Consolidated Mining and Development Corp will be suspended starting tomorrow. Harry A. Toelle Jr, Atlas president, said this will result in a total reduction of tonnage production from 28 percent to 58 percent of the original capacity of 110,000 metric tons a day. The further reduction of operations will substantially improve the company's cash flow position he said. He said Atlas decided to go on with its original plan to operate only the underground mine and one concentrator in view of the continued decline of copper prices, which is now below 65 cents a pound, and the resulting lack of funds needed to maintain and overhaul open pit equipment. [Excerpt] [Quezon City ANG PAHAYAGANG MALAYA in English 30 Sept 85 HK]

RESERVE OFFICERS COMMISSIONED--President Marcos approved yesterday the commission of 53 individuals in the various services of the reserve force in the Armed Forces of the Philippines (AFP), effective March 22, 1984. Among those commissioned was acting Foreign Minister Pacifico A. Castro, with the rank of captain in the Philippine Navy. The commission is part of a routine build-up in the reserve pool as provided for in the National Defense Act, as amended. [Excerpt] [Manila PHILIPPINES DAILY EXPRESS in English 7 Oct 85 p 6 HK]

WORLD BANK IRRIGATION LOAN--The World Bank is showing interest in extending a loan to the Philippines for the maintenance and rehabilitation of local irrigation systems. The bank has sent to the country a group of experts to study the costs and viability of existing irrigation systems. Deputy Agriculture Minister Orlando Sacay says the World Bank's interest was apparently an offshoot of the reduced budget for the National Irrigation Administration [NIA]. The NIA's budget for this year is 150 million pesos. [Text] [Quezon City Maharlika Broadcasting System in English 0400 GMT 8 Oct 85 HK]

SAUDI TYCOON LINKS TO FIRST FAMILY--Governor Ferdinand Marcos Jr is en route to Kenya. He will be the guest of Saudi Arabian business tycoon (Adnan Kashoggi) who owns a huge wildlife preserve in Kenya. (Kashoggi) was a guest of Governor Marcos last year during which time he also met with President Marcos and the first lady. That meeting started a close friendship between (Kashoggi) and the Marcos family that also paved the way for the

tycoon's substantial investments in the Philippines. [Text] [Quezon City Maharlika Broadcasting System in English 0400 GMT 8 Oct 85 HK]

NEW SUGAR MARKETING CORPORATION--President Marcos has increased the membership of the Philippine Sugar Commission [Philsucom] from 9 to 13 and ordered it to immediately organize the Philippine Sugar Marketing Corporation. The order, contained in Presidential Decree 1984, would enable the government to have more clout in helping the distressed sugar industry. The sugar marketing corporation will be the sole marketing agency for sugar exports and would engage in domestic trading of sugar on a non-exclusive basis. The new members of Philsucom are Prime Minister Cesar Virata, NEDA [National Economic Development Authority] Director-General Vicente Valdepenas Jr, Labor Minister Blas Ople and Emil Javier of the National Science and Technology Authority. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 8 Oct 85 HK]

CSO: 4200/58



5 November 1985

## THAILAND

## EDITORIAL BACKS ASEAN COMMON MARKET

Bangkok MATICHON in Thai 17 Aug 85 p 4

[Text] The proposal of Mr Amnuay Wirawan, Bangkok Bank's chairman, to have the ASEAN governments call for a summit meeting for setting up an "ASEAN Common Market" at the annual conference of ASEAN young businessmen in Jakarta, Indonesia, 12-15 August is an interesting and appropriate one for the unexpected economic crises in many ASEAN countries.

As for Thailand, this proposal has developed in the midst of opposition by many groups to proposed legislation called the "Jenkins Bill," which would limit [imports of] textiles and clothing into the United States. This bill is under consideration in the U.S. Congress and at the same time around September, a bill imposing a 25 percent tax on imports from Asia will be proposed by a Democratic senator from Texas. If this bill passes Congress, there would immediately be an import tax on goods from Japan, Brazil, Taiwan and South Korea.

These developments clearly reflect that right now the American market is not a certain market for developing countries, so that it would be stupid to entrust our country's future to the American market alone. Objecting to the passage of these bills in the Congress by every means surely would be justified; on the other hand, if the United States wants to protect its national interest, it is also justified.

Nevertheless, in the final run, each country must be predominantly self reliant, although depending on a single country is difficult. Countries should come together and rely on each other in any form as long as it is productive. The most obvious gain is that we can develop export markets for each other and develop bargaining power for countries in our group in order to guarantee the sale of goods. And the most important thing is to develop bargaining power against countries that are "economic animals," such as Japan and promote the principle of countertrade, namely, that each side buys the other's goods in fair proportion and does not take advantage of the other.

Therefore, the ASEAN Common Market proposal of Mr Amnuay Wirawan offers hope for the ASEAN countries and for Thailand. Moreover, it is advantageous in the long run for the world economy.

Mr Amnuay Wirawan correctly stated that, "I would like to propose that we start to set up an ASEAN market quickly and with determination domestically and regionally to prevent our economies from being affected by bad internal and external environments. At the same time, we should try to concentrate on developing our markets. This is the only way that our region will be able to negotiate with a strong position on the international stage. We should push for reforms and adjust market structures that need urgent development to prevent the collapse of the international economic system.

12597

CSO: 4207/286

THAILAND

# EDITORIAL BACKS CALL FOR ASEAN ECONOMIC SUMMIT

Bangkok STAM RAT in Thai 27 Aug 85 p 4

[Editorial: "ASEAN Economic Summit"]

[Text] The economic changes occurring throughout the world, originating from the great increases in oil prices by OPEC over the past 10 years or so, have created serious complications all over the world.

Singapore is experiencing an economic slowdown with its growth rate down to zero percent. Malaysia is experiencing problems with agricultural and mineral exports, as well as with rubber, tin, and textiles. Thailand is experiencing problems of a general lowering of prices of agricultural products, and industrial products that have just increased beyond their initial development are therefore obstructed. It is similar in Indonesia, where even if there is oil to bolster them, the price of oil falls and industry follows, just as in the obstruction experienced by Thailand. There is no need to mention the economic complications in the Philippines involving internal politics, causing losses in foreign trade. Brunei, although a small country rich with oil, needs a push in other areas of economic development rather than to depend on just one product.

It appears tht all six countries have various needs, and all are ASEAN members who have united to establish the objective of seeking security and stability not only in a political but also in an economic sense.

These are the facts underlying the remarks of MR Khukhrit Pramot, leader of the Social Action Party, who said the time had come for an ASEAN summit to seek unity for continued economic progress and to build a force so that this region containing 285 million people will have the economic strength to make it an important bargaining power with various countries and groups.

We agree with the leader of the Social Action Party that an economic summit of ASEAN leaders would be a clear symbol to all the industrialized nations of ASEAN's firmness in stating that it is not willing to stand by and watch the results of its development be destroyed by international economic depreciation and the protectionism of trade benefits that is worsening all the time.

We support the attempts of Foreign Minister General Sitti Sawetsila, who said he has tried to set up an economic summit meeting of ASEAN leaders for 3 years, but we believe that there will be no better time to make this important attempt than this year. The ASEAN region must sit down and discuss economic problems, particularly the danger of the protection of benefits of the large industrialized nations such as Japan and the United States that is casting an ever greater shadow.

9937

CSO: 4207/305

THAILAND

COLUMNIST ON THAI ATTACK ON SRV CAMBODIA FORCES

Bangkok DAILY NEWS in Thai 24 Aug 85 p 2

[Around the World column by Trairat: "The Next Major War"]

[Text] Every rainy season, Vietnam, a master at trickery, sidles up to ASEAN and pretends that it wants to negotiate. It proposes this and that, saying that it wants to find a way to end the fighting in Cambodia. But when the dry season arrives, Vietnam immediately launches an offensive. And worst of all, it has launched attacks right near our border. It has showed off its power in several ways, attacking and driving the Khmer coalition forces across the border into Thailand.

Nguyen Co Thach launched into his familiar role again when he went to Indonesia and began playing the diplomatic game by announcing that Vietnam would withdraw all its troops from Cambodia by 1990, that is, within 5 years. He noted that the Khmer Rouge would have lost their power by that time. Diplomatic circles took a slightly better view of Vietnam for daring to name a definite time for the withdrawal of its troops. But few people really believe Vietnam. Indonesia has been calling on Vietnam to withdraw its troops for more than 5 years now, all to no avail. Vietnam has constantly cited a variety of reasons for having to remain in Cambodia.

One good sign is that Vietnam seems to be more sincere about improving relations with the United States. It recently turned over the remains of 26 U.S. servicemen. Also, President Reagan will meet with the Soviet leader, Mr Gorbochev, at the end of the year. It is thought that this will help ease tensions. China continues to lash out at Vietnam and to tell Vietnam that it must withdraw its forces from Cambodia immediately. Otherwise, there is no hope of a reconciliation. At the same time, China is wooing the Soviet Union more than before and has opened the door to relations.

Thailand is playing a more serious game with Vietnam. Thai military officers have announced that if Vietnam sends military forces into Thailand again, the Thai military will retaliate by sending forces into Cambodia. But Thailand shouldn't be issuing statements like this. The time for action has come. There is no need to say anything. Vietnam has never admitted sending troops across the border into Thailand. We can use a similar tactic. We don't have to tell the world about our intentions since Vietnam could use this as an excuse.

During this rainy season, the Khmer coalition should hit the Vietnamese as hard as possible. There have been reports that the Khmer Rouge attacked the outskirts of Phnom Penh. If these reports are true, this should prove real trouble to Vietnam and Heng Sarmin. In fighting the Vietnamese inside Cambodia, they should not confront them directly. The best strategy is to wage a guerrilla war. Vietnam will learn the same lesson that it once taught France and the United States.

Don't forget that Vietnam is using a diplomatic-political-military strategy. We have to keep up with Vietnam's game. ASEAN diplomacy must be flexible. We must be ready to confront Vietnam on several fronts. We shouldn't say anything since we are so deeply involved in this. Our words don't have any weight. We should speak through Malaysia, Singapore or Indonesia. That would be better.

Most Indochina analysts do not believe that Vietnam will withdraw its forces. There will probably be fierce fighting along the Thai border this coming season. Good preparations must be made. Only a guerrilla war inside Cambodia can stop the Vietnamese. Everyone should now be helping the Khmer coalition forces. Because after the rainy season, Vietnam will go on the offensive again.

Today, there are still many Thais who wonder whether Thailand is wise to confront Vietnam directly. As for our allies, they are all urging us to fight.

11943

CSO: 4207/299

THAILAND

BPP, INTELLIGENCE SOURCES ON 'ASIA 88' GROUP

Bangkok CHAT ATHIPATAI in Thai 14-20 Sep 85 pp 20, 21

[Article: "The Asia 88 Group, an Underground Group, and Teachers In the Northeast"]

[Text] Prawuti Simantra is said to be the leader of the "Asia 88" group. Government intelligence files state that he was born in Na Namsai Subdistrict, Kut Chum District, Yasothon Province. He is now 53 years and 5 months old. He earned a bachelor's degree in literature from Chulalongkorn University. He graduated in the same class as Chit Phumisak. He was arrested on communist charges during the administration of Field Marshal Sarit. However, it was not until 10 November 1976 that he actually decided to join the Communist Party of Thailand.

He is an expert in Marxist-Leninist philosophy and theory. The CPT once assigned him the task of studying and analyzing the turmoil and disorganization that had arisen within the party. But when he submitted his views to the leadership, his conclusions were in conflict with many of the CPT's long-held beliefs. Thus, his conclusions were rejected, and he was charged with being pro-Soviet.

Thus, he resigned from the CPT on 6 October 1981 and was granted permission on 19 November 1981. He left Peking and returned to Thailand on 27 November 1981. Mr Prawuti said that "this does not mean that I am surrendering. I am still a resource of Thailand. What I did, I did with pure intentions. And I will continue to do things that I think will benefit the country. There is nothing concealed."

The Asia 88 Group, a Pro-Soviet Ally?

Police Col Warichai Suriyakun Na Ayuthaya, the deputy commander of the Region 2 Border Patrol Police, issued a statement at the Police Department on 2 September. He said that the activities of the Asia 88 group are related to those of the Thai People's Revolutionary Movement, which is a pro-Soviet movement that is trying to infiltrate and seize control of Thailand's 17 northeastern provinces. He also said that certain MPs and teachers in the northeast are cooperating with this group. They are in contact with Prawuti Simantra, a former member of the CPT Central Committee.

A senior government intelligence official said that the "pro-Soviet" label may not be correct. Because from what is known about the views of Mr Prawuti, he is quite strict about maintaining an independent position. However, it is possible that a Soviet group may be interested in Mr Prawuti since he has a new line of thinking that is very critical of and that totally rejects the CPT.

Besides this, the same official also revealed that this may stem in part from the fact that in 1977, Vietnam launched heavy attacks on the pro-Chinese communists. The CPT fell into disarray. Also, Prawuti and Udon Thongnoi joined the Socialist Party of Thailand and founded the Asia 88 group, which is a branch of the Socialist Party of Thailand. They began carrying on activities in Yasothon Province and then expanded operations into Roi Et Province.

The Soviet Union never considered the Socialist Party of Thailand or the Asia 88 group to be CPT front groups and so this meant that they were acceptable to Vietnam. At that time, many Thai officials believed that this new group might ask Vietnam to send in troops to help fight.

However, based on what Prawuti has told ISOC [Internal Security Operations Command] officials, reporters and friends, it seems that he decided to leave the CPT in 1981 not just because his views on Thai society were different from those of the CPT. He has sharply criticized the CPT for its "racialist" and "social colonialist" views, which hold that Thailand is an underling of China and that the two countries do have equal status. Ever since 1937, the view has been that "China is first, Thailand is second."

An old intelligence official told CHAT ATHIPATAI that based on these views, it is believed that Prawuti is against allowing other countries to gain influence here. However, because the targets of both the Pak Mai [New Party] and the Asia 88 group are the people in the northeast, if he enters into relations with the pro-Soviet group, he is in a good bargaining position. If this is the case, it indicates that the struggle to seize leadership from the CPT is becoming clearer.

A high-level news source stated that ever since 1977, most members of the Asia 88 group have been civil servants. Thus, the activities of these people have been carefully monitored by the superiors of these people. Because of this, the group's leaders in the jungle surrendered. They have tried to transform the struggle, particularly by infiltrating teachers' groups in the northeast and establishing various groups.

"They have chosen their mass targets cleverly. Besides the fact that teachers are like 'beacons' who are highly respected by and have much ideological influence on the rural people, they do not like violence."



## Northeastern Teachers, the Beachhead of the Underground Organization

Looking at educational circles in the upper northeast, it can be seen that there are four target organizations:

1. The Rural Teachers Association: Mr Niphon Chunta has been the secretary of this group since 1981.
2. The Yasothon Provincial Education Office: Mr Phin Thongnoi is the education officer.
3. The district primary education office and the primary education office in Kham Khuan Kaeo District.

Besides the teacher groups in Yasothon Province, the high-level official said that the Asia 88 group is also trying to expand its activities into Maha Sarakham Province, with its target being the Phayak Phumiphisai School, and into Ubon Ratchathani Province. It is doing so in the guise of protecting the rights of the teachers. It is also trying to establish various groups in order to form a united front with high political awareness. The activities carried on by the various groups that benefit teachers help the groups gain acceptance among the teachers.

"The Asia 88 group is not too well known, but it has much ideological influence. Beginning with teachers is like moving from small to big since teachers are the ones who set ideological roles for society. They are the "brains" of the villagers," said a police official with the Special Branch Division to CHAT ATHIPATAI.

The news source also said that besides Prawuti, who is playing a major role in the Asia 88 group, another key man who is thought to control the activities of this group is a senior education official in Sai Mun Branch District. He frequently makes inspection tours of schools in the area. He has exerted pressure on people to form young teachers groups, which have begun to play a greater role. He has had great success in Yasothon Province. Activities have also been carried on in Roi Et Province, with some success.

The news source also said that members of the "Simantra" family are playing a major role in the Asia 88 group. They concentrate on achieving long-term results. At the same time, their sphere of operations is quite clear. That is, they act within the framework of the law. Thus, they have not done anything illegal.

"The Asia 88 group is like a social force. In particular, in the teaching profession, they are trying to change the administrative structure of primary-level teachers in order to prevent primary teachers from being bound to the center, that is, to the under secretary of education.

## Keep an Eye on the New Struggle

Police Col Warichai stated that the Asia 88 group is a front group for a new, pro-Soviet communist group. He also said that a young politician in Yasothon

Province is involved with Mr Prawuti Simantra. A senior police official with the Special Branch Division told CHAT ATHIPATAI that many people who used to participate with Prawuti before he left the jungle are now members of his group.

"If these activities affect national security, that is, if these people are cooperating with the Thai People's Revolutionary Movement in Laos, we are ready to take action immediately. But if they are just exchanging ideas, that is their right. There is nothing wrong with that. We are just keeping an eye on their activities."

However, Prawuti Simantra once stated quite clearly that he would definitely engage in political activities. He said that he would do this openly with pure intentions. This looks as if it will be a very interesting struggle. Because Prawuti has told Special Branch Division officials that the Bangkok office of the Asia 88 group is located at 85 Ban Rattikon, Soi 8, Senanikhom.

11943

CSO: 4207/308

THAILAND

SPECIAL BRANCH POLICE ON RIGHTIST MONK, CHIT FUNDS

Bangkok CHAT ATHIPATAI in Thai 14-20 Sep 85 pp 17, 18

[Article: "Secret Document Revealed, Special Branch Division Takes Action Against Kittiwuto"]

[Excerpts] Secret Special Branch Division File Made Public, 300 Million Spent to Build Chittaphawan

A Special Branch Division document discusses the behavior of Kittiwuto. It states that he is an excellent speaker and that because of this, he has many followers. He has published a newspaper and broadcast programs over the Armored Radio Station.

He built Chittaphawan Withayalai in Bang Lamung District, Chonburi Province, on approximately 100 rai of land. This school cost a total of 300 million to build. The money came from donations made by followers of Phra Kittiwuto, most of whom were financiers.

Kittiwuto is strongly anti-communist. He once said that killing communists is not a sin since this amounts to killing an ideology, not people.

He helped found the Nawaphon group. He joined with Mr Wattana Khiewimon in opposing the leftists.

He was once charged with sending weapons to the Cambodians and with giving weapons training to Cambodians. He was also said to be involved in the stolen Volvo affair.

Behind the Kittiwuto-Nokkao Relationship

As for Phra Kittiwuto's involvement in the oil share fund of Flight Sgt 1st Class Nokkao Chaiyen, the Special Branch report stated:

Flight Sgt First Class Nokkao Chaiyen had known and respected Phra Wirasak Wiranantho at Wat Thepthidaram for a long time. Phra Wirasak introduced her to Phra Kittiwuto just after she started her oil share fund. She frequently made donations to Chittaphawan Withayalai.

Phra Wirasak and Phra Kittiwuto are very close to each other. They are frequently involved in things together. At the ceremony to open the Konphet Import-Export Company Ltd and the Siam Phalang Company Ltd of Mae Nokkaeo at 43/492-495 Ban Amrinniwet in Ban Khen District on 11 April, a religious ceremony was held to bless the 49 oil trucks of Mae Nokkaeo. This ceremony was performed by Phra Wirasak and Phra Kittiwuto.

When the Mae Nokkaeo share fund began experiencing problems for various reasons, including problems stemming from the government promulgating the Share Act, Phra Wirasak frequently took Mae Nokkaeo to see Phra Kittiwuto in order to discuss the matter.

#### Identities of the Three People Behind the Plan to Establish a Public Company

On 1 September, 6,000 shareholders of Mae Nokkaeo held a meeting at Chittaphawan Withayalai. On the order of Police Col Sala Khaosamli, the superintendent of Precinct 2, Suppression Division, suppression officials from Precinct 2 attended the meeting armed with 12 warrants for the arrest of Flight Sgt 1st Class Nokkaeo so that they could arrest her "on sight." But no one caught even a glimpse of her.

It seems apparent that those who arranged this shareholder meeting agreed that Mrs Nokkaeo would not make an appearance at the meeting. Certain portions of the Special Branch Division report state:

After discussing ways to solve the problems of the Nokkaeo share fund, Phra Kittiwuto suggested converting the shareholders' loan contracts into shares in a public company. He said that he would make all the arrangements himself. And so he held this meeting at Chittaphawan.

The document also states that the "board of directors of this public company was to be composed of people close to Phra Kittiwuto."

The document states that the three people who arranged the meeting that day were:

1. Phra Wirasak, in his capacity Mae Nokkaeo's teacher.
2. Phra Kittiwuto, the director of Chittaphawan and the person who was taking action to solve Mae Nokkaeo's problems.

The third person is a lieutenant general who retired just recently. He was attached to Supreme Command Headquarters, where he served as the deputy chief of staff of National Security Command Headquarters.

#### The Final Effort Made By the Oil Share Fund

A few days after being comforted by the soothing words of the director of Chittaphawan, who asked them to exchange their loan contracts for two pieces of paper, which he said were share certificates in a public company, Mae Nokkaeo's shareholders grew uneasy when they learned that based on the stipulations of the Konphet Company, which was to establish 200 accounts a

day, no dividends were to be paid. When they went to ask about this, they were given evasive answers.

However, a Ministry of Commerce report states that action is now being taken to withdraw the permit of Mae Nokkaeo's Konphet Company since it has failed to conduct operations based on the conditions stipulated. For example, it was to build oil storage tanks. Also, company activities have not been carried on.

As for the public company matter, in which Kittiwuto tried to soothe the shareholders, Mr Phanat Simasathien, the under secretary of finance, warned Mae Nokkaeo's shareholders not to let themselves be fooled again. At present, officials are checking to see whether there really is a public company. They are checking to see who established this company, what its objectives are and whether it was established in a legal manner. Because of all the steps involved, it is difficult to establish a company legally.

Because of all these things, it does not seem likely that the Mae Nokkaeo share fund will be able to survive for much longer. It is quite likely that it will end the same way as the Mae Chamoy share fund.

As for Phra Kittiwuto, in his capacity as a member of the Council of Elders, Phra Wisutthathibodi, the abbot of Wat Traimit, told Mr Chuan Likphai, the minister of education, who had come to see him to ask him to take some action to prevent this from having an adverse effect on the religion, "stay calm." That seems to be the best advice, just as in the past when this monk became involved in sensational matters. He has always managed to come out unscathed.

11943

CSO: 4207/308

THAILAND

PHICHIT-CHAWALIT TIES SAID TO BE FREE OF COMPETITION

Bangkok CHAT ATHIPATAI in Thai 24-30 Aug 85 pp 8-9

[Article: "The New Relationship between 'Big Chiu' and 'Big Tiger': A Temporary Alliance?"]

[Excerpt] "There's nothing going on between them. They have the same leaders in the same force. How could they split apart? When I meet them I see them treat each other warmly. It is only outsiders who say they have split, that they don't get along. But those people don't understand how soldiers are. In the military we believe strongly in the seniority of the generations"--an officer at the level of colonel in the forces of Region 1 expressed his view when asked of the relationship between Lt General Chawalit and Lt General Phichit.

In the recent past the reputations of the two soldiers, Lt General Chawalit Yongchaiyut, "Big Chiu," and Lt General Phichit Kunlawanit, "Big Tiger," has been growing all the time. In talk of an heir to the position of control of the forces of the army of General Athit Kamlang-ek, the present supreme military commander and army commander, they are spoken of as candidates in the race for the highest chair in the army, desired by all CRMA [Chulachom Klao Royal Military Academy] students and officers of all classes. Therefore, reports continually are spread that the two officers have had a split, and the most apparent reason seems to be no more than that Lt General Phichit Kunlawanit, leading a movement team, asked General Athit Kamlang-ek for an extension of service in August 1984, while Lt General Chawalit still seemed to be silent on the movements at the time. However, those suspicions were cleared up when Lt General Phichit said in an official interview with reporters, "There is nothing going on between me and Chiu. We have always gotten along well. I have known him for a long time, since we fought together in Vietnam. He was my commander. We have nothing to fight about."

The Source of the Rumors and the Competition

While the two soldiers moved up the road of politics and military careers, there entered as staff many junior officers who became their shadows. Lt General Chawalit had junior officers from CRMA class 5 like Major General Suchinda Khraprayun, head of the army military operations department, and his classmates on his staff at the same time that General Chawalit was doing political work for General Prem Tinsulanon, the prime minister.

"It doesn't mean anything that Suchinda has become close to Chiu. Its just because Suchinda came up in the same line of staff as Chiu. Their work is related, and therefore there may be frequent consultation. People think that Suchinda and he are very close and that, as Suchinda was president of class 5, class 5 supports 'Chiu,' but actually we in the military respect all officers." This was the view of colonels who are close to Suchinda Khraprayun, head of the army military operations department.

As the time that CRMA class 5 was becoming close to Lt General Chawalit, there were frequent pictures in the news of class banquets of officers from CRMA class 8 under the leadership of Colonel Bantit Malai-arison, commander of the first infantry regiment of the king guard, and the Young Turk royal elephant group under Colonel Phiraphong Sapphakphisut, deputy commander of the first regiment of engineers of the king guard, in which Lt General Phichit almost always appeared.

From the fact that each of the two officers has a staff of a different junior CRMA class, whenever there are movements by the two officers, there are people who say that Big Tiger and Big Chiu both have their own power base of support, and the comments go so far as to say that there is something of a split between them, with each class in a group behind one of them.

"So there's nothing at all. There are officers of CRMA class 8 who are close to Tiger, because mostly we were followers of Tiger in the Ranger course at the time when Tiger was a training instructor at the Lopburi special warfare unit. And the fact that Tiger is seen together with General Athit is only because there must be consultation between officers and people under their command." This view was given by a colonel in CRMA class 8.

#### The Roles and Effects of the Original Paths

Some say that the roles and original paths of the two officers have become completely divided. It is said that the reputation of Lt General Chawalit resulted from the solution of all kinds of problems for General Prem Tinsulanon, the prime minister. Before that Lt General Chawalit had been given work to do by General Prem, ever since the dispersal of the "mob" of farmers, students, and workers when they had violent demonstrations in front of the government residence.

Besides the government mob dispersal, Lt General Chawalit was also used by General Prem in coordination work between the government and the military and between the government and the political parties, both the parties in the government and opposition parties like the Thai Nation Party, where the most obvious result was assuring General Prem on various occasions that the TNP would be prevented from opening debate.

#### New Relations

Although it is commented both inside and outside the military that there will one day be a split between the two officers when they must compete for the chair of army commander, which only one person can fill, it is only a

judgment, because in the new movements now occurring, the two officers are turning toward one another and consulting on how to build the forces. News sources in the forces say that these relations have been going on for a long time but in a silent manner.

These relations seem to be becoming clear. When Lt General Phichit led a team of military senator's opposed to the constitutional amendment for separate constituencies, party voting of MR Khukhrit Pramot, leader of the Social Action Party, in which the opposition of the majority of the military senators was voted by the army and the military senators of the army, almost entirely officers of CRMA 1, classmates of Lt General Chawalit, and officers of CRMA 5, a group supporting General Chawalit. The two classes of officers supported Lt General Phichit in opposition to MR Khukhrit's constitutional amendment before the joining of forces among the group of military senators by Lt General Chawalit. It was said that the V.I.P.s among the military senators and those close to Lt General Chawalit and Lt General Phichit had agreed beforehand.

As for advancement to the chair of army commander of the two officers, reports have emanated out from the forces there there has been an agreement between General Prem Tinsulanon and Genral Athit Kamlang-ek to have as little competition as possible in the forces. If Lt General Chawalit assumes the chair of army commander first, Lt General Phichit will replace Lt General Chawalit when he retires himself at 55 as has been announced.

"I believe that if high-level commanders agree, there won't be any problem. That is, who would dare to predict whether it will succeed if Chiu goes first according to seniority and then Tiger follows. It is a matter of luck, written by heaven and earth." This is the opinion of a news source in the army.

In any case, whether or not both advance to the highest position desired by all soldiers, whether the relations between the two steadily improve, will be visible in the meetings between the two officers and whether they chat together as usual. As to whether their relations will be temporary or lasting, the ambitions of the two and time will be the proof.

9937

CSO: 4207/305



THAILAND

EDITORIAL SEEKS LIMITATIONS ON JAPANESE IMPORTS

Bangkok SIAM RAT in Thai 30 Aug 85 p 3

[Editorial: "Thailand's Economic Sovereignty"]

[Text] Thailand's internal economy has developed great problems, of which the people speak all the time and which the government has not succeeded in solving. There have now been unofficial reports that the cause of the poor state of our economy is that the Thai government has been remiss in finding a solution or solution has not been adequate.

It has been revealed in trade and business circles that the reason for Thailand's economic crisis is that the Thai government has been trying to please and collaborate with Japan. Whether the private sector or the government sector, Japan has constant economic power over the Thai people and the Thai government.

From the figures revealed in government circles, it has been estimated that Thailand now has a trade deficit of 64 million baht with Japan, and this trade deficit has not stopped increasing.

In fact, we do not need to put together any statistics or data, because what we see now before our eyes are all kinds of Japanese goods, both produced in Japan and produced in Japanese factories in Thailand, flooding the market in Thailand.

We ought to consider why this is.

We request that the government, with its legal powers and power over conduct, be responsible for taking decisive and immediate action without further delay.

First, we believe it should limit the goods that Thailand orders from Japan, because these goods are mostly luxuries.

Next, the Thai government should restrict the buildup of Japanese industry in Thailand concealed in the form of investment. Actually, the money that Japan invests in Thailand--in the factories producing ready-made foods, materials for appliances, or children's toys--includes Thai money, but the profits from the Thai investments go to the Japanese who run businesses as specialists or experts.

How much longer will we have to endure this? We don't know who it will take to convince the government to turn its attention toward this matter and find a way to solve the problem before Japan occupies Thailand's economic sovereignty.

THAILAND

PHICHAI SON, DEMOCRATIC CANDIDATE PROFILED

Bangkok MATICHON SUT SAPDA in Thai 8 Sep 85 p 42

[MATICHON People column: "Mr Phichit Rattakun, a Democrat Party Candidate in the By-Election for MP from District 2, Bangkok Metropolitan"]

[Text] He was born on 30 August 1946 in Bangkok Metropolitan, He is the son of Mr Phichai Rattakun, the leader of the Democrat Party, and Lady Charuai Rattakun.

He began school at the Bangkok Christian School, where he completed upper secondary school. He then entered the Faculty of Science at Chulalongkorn University, where he received his bachelor's degree in biology.

He then attended Brigham Young University in the United States, where he earned his Master's and Doctor's degrees in industrial microbiology. While there, he was granted a teaching and research assistanship and an internship grant.

While attending Chulalongkorn University, he was the student leader in the Faculty of Science and was chosen president of the senior council. He was once expelled from the university for leading a protest demonstration at Siam Square against land corruption. Besides that, he was the president of the Thai students' association while studying in the United States.

After returning from the United States, he joined the Faculty of Science at Chulalongkorn University. He was elected to the Faculty Council. He was a member of the committee to discuss the Master's curriculum in microbiology. He was also on the committee that considered the Master's theses of students studying technical chemistry, biochemistry and botany. He also served as a special instructor at Kasetsat and Mahidol universities.

At present, he is the deputy director of the National Center for Biological Engineering and Technology. He is a member of the National Research Council and the Regional Electricity Authority and the managing director and coordinator of the Urban Development Program.

On the political front, he is a member of the Democrat Party's Policy and Technical Committee and its central committee. He serves as the coordinator

for the Phayathai branch of the Democrat Party. He is the assistant head of the work team of the party secretariat. He is secretary of the party's committee to discuss the problem of street peddlers and the assistant secretary of the party's committee to discuss policies for administering Bangkok Metropolitan.

Besides this, he serves as an advisor to the minister of science, technology and energy. The executive committee of the Democrat Party chose him to run for the House seat in District 2 vacated by the death of Mr Damrong Latthapiphat.

He is married to Chariya. They have two children, Phichariya and Tam.

11943

CSO: 4207/299

5 November 1985

THAILAND

LAMPANG MP, THAI NATION PARTY ADVISOR PROFILED

Bangkok MATICHON SUT SAPDA in Thai 8 Sep 85 p 42

[MATICHON People column: "Mr Phaithun Khruakao, a Thai Nation Party MP From Lampang"]

[Text] He was born on 13 July 1933 at Ban Muang in Chae Hom Subdistrict, Lampang Province. He is the son of Mr Luk and Mrs Sinuan Khruakao.

Because his family was poor, when he completed lower secondary school at the Lampang provincial school, he had to help his parents and help look after his younger siblings. He had to help tend the garden and help carry vegetables and fish to the market.

At the same time, he was a very good student at the Wat Saengmuangmun municipal primary school and at the Bunyawat Withayalai high school. At the end of secondary school, he placed first in the provincial examination.

He then took the entrance examination to attend Grade 11 at Trieum Udom School. After just 1 year, he passed the Grade 12 examination.

While in the Faculty of Agriculture at Kasetsat University, Bang Khen campus, he worked on a chicken farm, too. He received his diploma in farming and animal husbandry.

He then received a government scholarship to study sociology and political science at Cornell University in the United States, where he earned his bachelor's degree in 1959. He received permission to study for his Master's and Doctor's degrees. While attending school there, he worked as a teacher's assistant. In 1962, after receiving his Ph.D in philosophy, he returned to Thailand.

After returning to Thailand, he became an instructor at Thammasat University. He also taught courses at Kasetsat University.

Besides that, he served as an advisor to the Ministry of Interior in developing the rural areas. In 1964 he resigned from government service in order to engage in the mining business.

In 1969 he founded and served as the leader of the Naeo Prachathipatai Party. Seven MPs joined his party, and he became an MP from Lampang Province. Following that, he dissolved the party and served as an advisor to the Social Action Party. But he did not run for election.

In 1983 he ran for election and was elected MP from Lampang as a member of the Thai Nation Party. He also served as an advisor to the Thai Nation Party.

He formulated a program for improving the structure of the Thai Nation Party, which was presented at a party meeting while Maj Gen Praman Adireksan, the party leader, was on a trip abroad. Before the meeting, an attempt was made to get enough signatures to force Maj Gen Praman to resign from his position as party leader and replace him with Maj Gen Chatchai Chunhawan. He was one of the activists in this, which almost led to fisticuffs at the meeting.

11943

CSO: 4207/299

THAILAND

NEW THIRD ARMY CHIEF PROFILED

Bangkok DAILY NEWS in Thai 2 Sep 85 p 5

[DAILY NEWS Square column by Nanthana: "The New Commanding General of the 3rd Army Area, Lt Gen Ruamsak Chaikomin"]

[Text] The officer whom I would like to introduce today is a member of Army Preparatory School Class 7. He comes from Kanchanaburi Province. I am talking about Lt Gen Ruamsak Chaikomin. He was born on 23 April 1926. His parents are Mr Yu and Mrs On, who won the mother of the year award in 1977 for the good way in which she had raised her children. She educated them and taught them about Thailand's good customs and traditions. All five of her sons are engaged in activities that benefit the country. For example, the oldest child, (Special) Captain Kitti, is the former head of the Armed Forces Security Center. The second son, Commander Wanraem Chaikomin, a rugby player, has resigned his commission in the navy. The third child is Lt Gen Ruamsak. The fourth is Wanlop. He graduated from Thammasat and Chulalongkorn universities and is now a teacher in Sisaket Province. He is still a bachelor. The fifth son, Police Lt Col Surasak, graduated from the Police Academy and earned his Master's degree in public administration from the National Institute of Development Administration.

Lt Gen Ruamsak Chaikomin completed lower secondary school at the Kanchanaburi Secondary School. He then went to Bangkok and applied to enter the Army Academy in 1942 (Class 5). However, he failed the entrance examination. He took the test again in 1943 (Class 6) but failed again. But he had his heart set on being an officer and so during the period 1943-1944, he attended the Army Preparatory School as a member of Special Class 6. In 1944, he passed the entrance examination on his third try (becoming a member of Class 7). After completing processing there, he went to attend a course in Phetchabun Province. (Class 7 was fortunate enough to ride in trucks from Taphanhin to Phetchabun. Other classes had to walk). After graduating from the Army Academy in 1949, he was made a platoon leader with the 13th Infantry Regiment in Udorn Province. Classmates include such people as Lt Gen Uthai Kokilanon, Vice Admiral Kasem Mekloi (the Marine Academy sent 5 people to study at the Army Academy), Air Vice Marshal Paryat Ditsayasarin and Police Gen Suwan Rattanachun. In 1951, he was transferred to the Infantry Center in Lopburi Province. In 1953, he volunteered to become a paratrooper as a member of the first group of paratroopers in the army. After completing paratroop training,

he served as an instructor at the Erawan Paratroop School for 5 years. He then served as a company commander with the Pawai Paratroop Battalion, or Special Warfare Center. In 1977, after 24 years in the military, he was made the deputy commander of the 4th Infantry Division in Phitsanulok Province. In 1979, he was promoted to major general and made the commander of the Chiang Mai Military District. In 1981, he returned to Phitsanulok as the commander of the 4th Infantry Division. He was then made the deputy commanding general of the 3rd Army Area. And now it has been announced that he is to be the next commanding general of the 3rd Army Area. Lt Gen Ruamsak attended various military schools, including the National Defense College, which he attended as a member of Class 23. He attended a jungle warfare class in Malaysia and a paratroop training class in the United States.

The people of Kanchanaburi Province have praised Lt Gen Ruamsak for being a model of persistence. He has never faltered when facing obstacles. He is a good model for students who are not doing well in school since he has shown that if you try hard enough, you can achieve your goals. (In secondary school, he always placed 20th or 21st). Every year, he returns to his alma mater to talk to the students about their school life and how to achieve their goals. He tells students and parents not to blame others if they fail to get into the school of their choice. He tells them that they can succeed if they really try.

At the Army Academy, he was a member of the school rugby team. He has played on the army and army club teams, too. When the team from the Naval Academy came to play them, he competed against his brother. When the two faced each other on the rugby field, the spectators went wild.

He is married to Wilai Suwari. They have five children. The oldest, Sasirat, is married to Dr Chaowarot Ubonwirot. The others are Sirirat, Thotsaphon, Ratsanikat and Ruamwilai.

11943

CSO: 4207/299

THAILAND

NAVY VICE CHIEF OF STAFF PROFILED

Bangkok DAILY NEWS in Thai 29 Jul 85 p 5

[Excerpt] Vice Admiral Komut Kamolnawin, assistant chief of staff of the Navy's Operations Department, was born on 10 October 1928 (his birth date is later than September so his retirement year will be 1989). His father, Vice Admiral Lord Rajwangsai (Sri Kamolnawin), was the first Thai Navy officer to graduate from the new Navy curriculum. His mother was Lady Chit Rajwangsai. He has a lot of relatives in the Navy. He is a through and through Navy man.

When he was young he attended Saint Gabriel's School, where he finished the 10th grade, and continued his education in Amnuaysin Phranakorn School, where he finished 12th grade. Then he attended the Naval Academy and graduated with the rank of second lieutenant in 1951. Then he went to study in the Navy Staff School. During his government service, he has gone to study abroad in many countries, such as when he went to study naval operations in the United States, France and Denmark.

After finishing his studies, he became a commander in the Royal Thai Navy, where he has commanded various battleships, such as the Surst, the Rattanakosin and others. He has had permanent duty on combat ships and has been involved with all related combat units so that he is very knowledgeable in naval operations and understands the mentality of Navy personnel.

In another area, he has held the post of assistant naval charge d'affairs to Paris, France, as "Special Captain R.N." He has also been acting assistant naval charge d'affairs in Madrid, Spain, and in Bonn, West Germany. After that, he returned to Thailand, received the rank of rear admiral and held the position of director of the Naval Operations Department during 1980-1984. After that he was promoted to be deputy chief of the Naval Operations Department.

His wife is Chanida Tulyarak, the daughter of Maj Gen Luang Sanit Tulyarak and Mrs Chanthit. They have three children. The oldest son, Komet, is a graduate of George Washington University; the second son, Kairob, is studying engineering at Chulalongkorn University; and a daughter, Kamonthida Kamolnawin, is studying literature at Chulalongkorn University.



His daily hobby is staying home and taking walks around his residence. He is really a handsome and smart looking man but very faithful to his wife. He usually does not attend functions and parties because he is happy being home with his children and his wife. He does not go to places that are increasingly expensive, and considers it wasteful to eat out because it is very expensive and the atmosphere is not fresh and impressive like at home.

12597

CSO: 4207/286

THAILAND

ACADEMICS DEBATE ROLE OF ARMY IN POLITICS; CAMBODIA IMPACT

Bangkok MATICHON in Thai 16 Aug 85 pp 1, 16

[Article: "Growing Military Role in the Future; Parties in Coalition Government in Conflict"]

[Text] Political experts have pointed out that not too long from now the military will play more of a political role because of conflicts between the parties in the coalition government and the pressing economy. They have also disclosed that the situation along the border will make the military and civil servants the ones who choose between war or peace.

At 4:00p.m. on 15 August, the Political Science faculty of Chulalongkorn University had a discussion entitled "The Future of Thai Politics." Mr Chai-anan Samutwanit, professor of Political Science at Chulalongkorn University, argued that the trend of Thai politics over the coming years -- during the period of implementation of the 6th National Economic and Social Development Plan -- will be very meaningful in political terms, namely, in framing policies. A point worth noting is that carrying out the plan will lead to conflict or cooperation from the various power groups.

Mr Suchit Boonbongkarn, professor of Political Science of Chulalongkorn University, argued that there are two main pillars that support the government, namely parliamentary political parties and the military. The head of the government must keep a balance between these two institutions by any means. The present prime minister has been doing this well all along.

"The trend then is toward less chance of instigating a coup d'etat. Nevertheless, in the period near 1987 around the general election there might be competition between parties in the government, which might cause a bad atmosphere, and possibly a more depressed economy over the next 2-3 years. These situations might make the military, which is sensitive to the security issue, perceive that such an atmosphere would make the country less secure, so that it surely will try to play more of a role politically," Mr Suchit stated. In the institution of the military relations are based on the chain of command as the principle. In terms of ideology, people generally perceive various problems similarly, particularly concerning the security issue. If we look at the heart of the matter, we will see that the actual differences are actually only minor, like classifying birds as pigeons or eagles.

Mr Sukhumphan Boriphath, professor of Political Science of Chulalongkorn University, argued that international policies, especially Thailand's policy toward the Cambodian issue, is certain to impact it in the future.

"Thailand's policy is to injure the Vietnamese tiger and have it withdraw and return home. But a cornered tiger like Vietnam will do anything to defeat the enemy. Last dry season, Vietnam carried out more decisive strategies and operations than before. Forget about agreements that it would not enter into Thai territory to purge Khmer tripartite troops. The Thai government has not revealed these facts." Mr Sukhumphan stated that over the next years, regardless of what happens in Vietnam, Thailand will be the one that loses because if Vietnam is beaten, it will look for ways to enter and attack to cut the arms supply routes of the Khmer in Thailand. If Vietnam beats the Khmer, it will enter and purge the Khmer in Thailand.

"There is no way that China will help Thailand except if Vietnam intrudes 15 km deep into Thai territory. Right now China feels that what is happening currently is fine. Right now China is only supplying arms to the Khmer," Mr Sukhumphan stated.

Mr Sukhumphan pointed out that the situation that Thailand is experiencing with Vietnam has made the military and civil service have more power in running the country. War and peace decisions depend on the military and high level civil servants in the Ministry of Foreign Affairs.

"The conflict in Cambodia has made people accept the role of the military and civil servants and that they have rights in deciding on national security issues. People might leave everything up to the military but I do not believe that there will be a coup d'etat. However, there might be political changes and there will be less democracy. And in 1 or 2 years, there will be a little scattered fighting along the Thai-Cambodian border. And later we must be prepared to fight a war," Mr Sukhumphan stated.

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CSO: 4207/286

THAILAND

NESDB 6TH DEVELOPMENT PLAN GOALS REPORTED

Bangkok CHAT ATHIPATAI in Thai 10-16 Aug 85 pp 34-40

[Article: "Summary of the Direction of the 6th National Economic and Social Development Plan (1987-1991)"]

[Text] 1. What is the background of the 6th Development Plan? The background of the 6th Development Plan is as follows:

1.1. The National Economic and Social Development Board [NESDB], in cooperation with the officials concerned, discussed the direction and policy framework of the 6th Development Plan in order to prepare a complete plan to follow the 5th Development Plan, which will end in fiscal year 1986.

1.2. On 15 April 1985, the NESDB approved the direction of the 6th Development Plan and passed a resolution to submit it to the Council of Economic Ministers and the cabinet.

1.3. On 13 May 1985, the Council of Economic Ministers approved the direction of the 6th Development Plan and passed a resolution to submit it to the cabinet.

1.4. The direction of the 6th Development Plan submitted to the cabinet is the first step in preparing the 6th Development Plan and gaining approval of the main targets, lines and elements. The full plan must be completed in time for the 1987 budget deliberations in January 1986.

2. In preparing the direction of the 6th Development Plan, what were the main points that were considered? The main points considered were as follows:

2.1. The results of past national development activities.

2.2. The limitations that the country is encountering now and is likely to encounter in the future.

2.1. What are some of the important results of past national development activities? Results of national development activities during the period of the 5th Development Plan can be summarized as follows:

#### 2.1.1. General development:

Steps were taken to solve the trade deficit, current accounts deficit and fiscal problems in order to maintain the country's economic and fiscal security and to prevent the country from experiencing severe problems as a result of the world economic situation, which has been bad for a long time. Because of the action taken, the current accounts deficit dropped from 56,049 million baht in 1981 to approximately 40,000 million baht in 1985. The country's general economy expanded an average of 5.3 percent a year, which was almost double the world economic growth rate.

#### 2.1.2. Development in the country's main sectors was as follows:

##### Development of specific areas:

(1) Things improved in the poor rural areas. This is evident from the fact that during the first 3 years of the 5th Development Plan, the number of poor districts and branch districts dropped from 286 to approximately 197, a decline of 31 percent.

(2) Good progress was made in developing new economic zones, such as the eastern seaboard area. This can be seen from basic investments. For example, the gas separation plan, the use of natural gas products and the construction of deep-water ports at Maptaphut and Laem Chabang reached the stage in which engineering plans were drawn up.

##### Revision of the economic structure:

(3) In the past period, the agricultural sector grew an average of 2.9 percent a year, which was below the stipulated target of 4.5 percent a year. This was because of the draught in the first year of the Plan. Also, there was a slump in the price of agricultural products and so there was no incentive to increase yields.

(4) During the first 3 years of the Plan, the growth rate in the industrial sector averaged 6.1 percent a year, which was below the stipulated target of 7.5 percent a year. This was because of the worldwide economic recession. However, the industrial sector has become more important in the economic system. This can be seen from the fact that the proportion of the GNP accounted for by industrial products rose from 20.3 percent in 1977 to 21 percent in 1983.

(5) The development of the country's energy sector was on target. During the first 3 years of the Plan, oil imports dropped by 7,807.93 million liters of crude oil, which represents a savings of approximately 10,600 million baht a year.

(6) The expansion of telecommunications service, particularly domestic telephone service, was greatly below target. This was an important obstacle to national development in general.

## Social Development:

(7) The expansion and distribution of social services was more widespread and even, with 83 percent of the districts having district hospitals and all the subdistricts having health clinics. All the subdistricts had primary schools, which provided education to 96 percent of the children of school age. Secondary, non-formal and higher education services also expanded.

(8) However, the provision of these social services faced problems concerning quality and the cost of providing such services. At the same time, in the last years of the plan, unemployment, especially among educated people, increased, rising from approximately 59,300 people in 1981 to 84,200 people in 1982.

## The Development management system:

(9) A system of public-private cooperation in development began to take shape. Special attention was given to reforming the administrative systems and operations of the state enterprises in order to increase their efficiency.

(10) The establishment of the state's administrative system for rural development, by combining the strengths of the four main ministries (agriculture, interior, education and public health), was carried on widespreadly and encompassed rural areas throughout the country.

2.2. What limitations is the country now facing and what is likely to happen in the future?

(1) Fluctuations and uncertainty in the world economic situation, including competition and trade protectionism on world markets, will increase.

(2) Prices of primary products on world markets are declining and are expected to continue to decline. Oil prices on world markets will remain uncertain.

(3) To maintain the country's fiscal and monetary security, the fiscal restrictions and disciplinary measures of the state and the monetary administration of the country must remain in effect.

(4) On the average, 1 million new workers will enter the labor market each year. However, employment in the public sector will decline. Employment in the agricultural sector is limited, and employment outside the farming sector is expanding slowly.

(5) The expansion of Bangkok Metropolitan and other large cities will create further congestion, which will have both economic and social effects. Unless there is systematic urban development planning, there will be a severe shortage of public services in the urban areas.

(6) The deterioration of the natural resources and environment will grow worse.

(7) The state's administrative capabilities and fiscal limitations will severely restrict the role that the public sector can play in national development. This must be reviewed, and a suitable course of action must be chosen.

### 3. What should the direction of development of the 6th Development Plan be:

Based on the results and limitations discussed above and on the opportunities and possibilities for national development in the future, the direction of the 6th Development Plan must be composed of one target, three lines and nine main plans.

#### The Target:

General economic growth must exceed 5 percent a year on average. Emphasis must be placed on expansion that will create jobs, support income distribution and help maintain the country's economic balance so that continuous progress can be made.

#### The three lines:

(1) The economic and social structures in the main sectors must be developed as a continuation of the 5th Development Plan. At the same time, new opportunities must be found to make economic progress so that the benefits reach more people. However, primary consideration must be given to the limitations and to the country's fiscal and monetary security.

(2) Efficiency and quality in production, marketing and technology must be increased so that Thailand can be more competitive with other countries.

(3) The public sector's role in managing development must be adjusted based on the state's fiscal capabilities and position. The national development burden must be shared by the public sector, state enterprises and private sector using the principle of systematic cooperation.

#### The nine plans:

(1) The development plan for the economic and fiscal security of the country:

In order to help keep the country's economy growing at the targeted rate under the country's resource limitations, the following important proposals of the plan for economic and fiscal security need to be implemented:

A. Implement restrictive fiscal and monetary policies and measures as a continuation of the 5th Development Plan by:

Keeping budget deficits from greatly exceeding revenue-generating capabilities and financing the deficits by borrowing from sources that will not generate inflation. Such sources include the private sector and the Government Savings Bank.

Improving public-sector debt management by considering making domestic and external debt creation a single process.

As for external debt creation, consider both public and private-sector debts based on the country's debt-servicing capabilities. The public-sector external debt must not exceed 9 percent of revenues from exports during the period of the 6th Development Plan.

Keeping the defense budget in line with the country's economic capabilities and financial position.

B. Implement efficient monetary and fiscal policies by:

Simplifying the tax structure, lowering the rates and expanding the tax base in order to increase government tax revenues and make the system more fair. The focus should be on collecting taxes from individuals and activities granted tax exemptions.

Collecting taxes from state enterprises and investment-promotion activities previously granted exemptions on income taxes, trade taxes and import taxes. This must be done in order to put things in line with actual production costs, bring about fairness in competition, promote efficient use of the resources and help increase state revenues.

Developing the institutions, tools and people concerned in order to increase efficiency in collecting taxes.

Preparing general accounts clearly showing the government's monetary and fiscal position and local and state enterprise management. The aim is to find out what the real situation is and to use this information as a tool in formulating plans and stipulating the duties of local governments and state enterprises.

Developing the financial institutions, tools and mechanisms in order to mobilize long-term domestic savings. This includes promoting provident funds, developing the insurance industry, issuing savings bonds and having the state enterprises issue bonds or domestic notes. Investors must be paid a suitable rate of interest.

Adjusting domestic interest rates on savings deposits and loans based on the domestic economic situation and interest rates on world markets in order to support investments and create a financial equilibrium.

Implementing monetary measures to have the commercial banks and other financial institutions grant credit to the sectors and activities having top priority based on the economic development objectives. The emphasis must be on granting project credits (reduce granting credits of the over-draft type). Consideration must be given to establishing financial institutions to support specific types of activities.

Developing the financial apparatus in order to support exports and ensure that the exporters and producers of export goods make a suitable profit. This must be considered based on the laws, regulations and international trade agreements.



(2) The natural resources and environmental development plan:

In order to protect, develop, allocate and use the natural resources, such as land, water, forest and mineral resources, efficiently in line with the country's general economic development, the following important proposals of the natural resources and environmental development plan must be implemented:

A. Follow up on the 5th Development Plan by:

Accelerating the granting of land deeds nationwide so that the farmers have ownership rights and are confident about being the owner of the land. This will encourage the farmers to improve the land and increase their production efficiency without having to trespass on forest land to earn their living.

Stipulating the level of quality of important water sources in all regions of the country and preparing plans for using the land based on the water sources. The purpose is to coordinate making use of the forest and headwater areas with maintaining the environmental balance.

Conducting nationwide surveys for mineral deposits by making geophysical aerial surveys followed by ground surveys. A data collection system must be established, and the use and dissemination of data must be promoted in formulating the operations plans of the local government units. The aim is to reduce conflicts over the use of public land and other natural resources and to benefit those who invest in ore production.

B. Improve production efficiency and quality and the use of natural resources by:

Formulating a master plan on developing, using and conserving land in order to provide the farmers with a set of options in improving and using their land. This plan can also be used to coordinate things between the government units concerned.

Supporting and improving the organizations that use water so they take responsibility for looking after, maintaining and repairing the buildings and field irrigation system. The purpose is to lighten the financial burden of the state and make efficient use of the projects in which the state has invested.

Formulating policies and plans to develop and make use of the mineral resources that are present in large quantities and that are cheap, particularly lignite. This must be done by giving the private sector a chance to invest in this. Lignite must be used not only in the production of electricity but also in other activities such as industry and the processing of agricultural products.

C. Improve the natural resources and environmental development management system as appropriate by:

Revising the laws and regulations on land, forests, mineral resources and the environment in order to support economic development and reduce conflicts over the use of natural resources.

Encouraging local organizations such as the subdistrict councils to participate in managing the natural resources.

Encouraging private businesses to participate in afforestation work and encouraging the local people to plant trees for general use.

Using the plans and projects at the local level as tools to coordinate things between the government units that oversee the various types of natural resources.

D. The petroleum survey and development laws should be revised by:

Allowing private Thai companies and the Thai government to invest in development, production and surveys. The laws on joint investment must be clarified.

Increasing the conditions on production when a company is granted production rights.

Reducing the survey period (the maximum is now 12 years) and the production period (now 40 years).

Increasing flexibility in returning concession areas so that discoveries are made more quickly.

Making geological data obtained from surveys public within a reasonable time.

Improving tax collection and the transfer of funds so that things are more convenient, particularly in the case of large foreign investments.

Speeding up negotiations in order to develop the petroleum in the joint development areas.

(3) The rural development plan:

In order to support the general economic targets concerning economic expansion, income distribution, social services and improving the quality of life in the rural areas, the following important proposals of the rural development plan should be implemented during the period of the 6th Development Plan:

A. Carry on rural area development continuously by:

Using the problems in the areas as the targets of development. This must be done in order to solve the problems remaining from the period of the 5th Development Plan.

Developing areas, such as border areas, to increase security.

B. Take new steps in order to increase efficiency and capabilities in solving the problems in the rural areas by:

Expanding development outside the poor areas to include the average and progressive areas. Emphasis must be placed on land ownership rights, utilization of the water sources, production, marketing and the distribution of technology.

C. Improve the rural development management mechanism so as to combine the strengths of all sectors by:

Improving the rural development management system under the National Rural Development Committee system.

Supporting the role of the joint public-private committees for solving the economic problems and stressing the role of the regional and provincial joint public-private committees in rural development.

Supporting the projects of the people and of various organizations such as the projects of subdistrict councils, the rural development fund project, the quality of life development project and the projects that are being carried on by the people or with the cooperation of private organizations.

(4) The urban and special zone development plan:

In order to develop the capital, the other urban areas and the country's "new economic zones," which will be centers of development and new industrial bases in the provinces and which will support the dispersal of economic activities from the center, and to develop Bangkok Metropolitan and the surrounding provinces in an orderly way and reduce congestion, the following policies of the urban and new economic zone development plan must be implemented:

A. Quickly implement plans and projects to follow up on the 5th Development Plan by:

Taking action based on the plan to turn the eastern seaboard into a "new economic zone." This must be completed by the end of the 6th Development Plan.

Laying a foundation and stipulating project guidelines for developing the Thung Kula Rong Hai area, the Songkhla Lake area and the upper southern region.

Completing the development of the main cities stipulated in the 5th Development Plan.

Improving and expanding the public health and service systems in Bangkok Metropolitan and the surrounding areas in order to have the "same system" based on using urban planning and on using the land in a more orderly manner in the future. In particular, there must be a waste-water disposal system, and a permanent flood-control system. The transportation and traffic system in Bangkok Metropolitan must be developed. The urban systems must be developed and linked to form a more perfect system. The crowded residential areas and communities must be developed.

B. Improve efficiency in managing the projects in the cities and new economic zones by:

Improving--by establishing new organizations if necessary--the management of the public services and public utilities in Bangkok Metropolitan and main cities so that they have greater independence and flexibility. It is particularly necessary to improve water disposal and flood control activities and urban transportation and traffic management. Consideration must be given to establishing a special organization to manage the development of the eastern seaboard.

Developing the new economic zones along the eastern seaboard and in the upper south. These must be gateways to international trade that can make Thai exports more competitive.

C. Support a division of responsibilities and the use of a unified system in developing the country by:

Sharing the investment burdens in providing public services and utilities in urban areas between the center, localities, state enterprises and private sector as appropriate.

Reducing subsidies from the center by having the other entities collect service fees so that they become self-supporting and earn enough to expand activities in the future.

Improving the local financial situation and encouraging the private sector to invest in developing basic services in the cities, with the state facilitating things and providing technical help as appropriate.

(5) The social development, manpower development and job creation plan:

So that social and manpower development and the creation of jobs proceed in harmony with economic development and support the general national development targets in an efficient manner, the following important proposals of the social development, manpower development and job creation plan must be implemented:

A. Follow up on the important activities begun during the 5th Development Plan by:

Reducing the population growth rate. Other measures besides family planning measures must be used. Permanent and semipermanent family planning measures must be stressed. The focus must be on those target groups that do not carry on family planning activities very much, especially in the rural northeast and south and in the crowded urban communities.

Improving social services in line with the structural changes, age groups of the people and shift from a rural to a more urban-oriented society. The private sector in the localities and communities must be encouraged to participate in providing services in order to lighten the government's burden.

Developing the quality of the people. Emphasis must be placed on expanding basic public health services from the rural areas to the cities, improving the quality of public health services, protecting people from environmental and work hazards in both industry and agriculture, improving education and training in line with the conditions of the labor market and developing a spirit of morality helpful to development.

Encouraging the creation of more jobs by accelerating the development of agriculture, rural areas, small industries, cottage industries, service businesses and related industries.

B. Improve the efficiency and quality of the social and manpower development and job creation activities by:

Reviewing the policies on social service fees, including both public health and education services. In particular, at the post secondary level, where fees are still very low, the fees must be adjusted to match costs. Also, scholarships must be made available to poor people.

Slowing down the production of laborers in fields that have high unemployment and expanding production in sectors that need people and that are in line with the national development policy.

Setting up a system and mechanism to coordinate things between the educational institutions, training laborers and employers and promoting cooperation between the educational institutions and the public and private-sector training institutions in providing more on-the-job training.

Developing the labor market data collection system and promoting the use and dissemination of data so that the training provided is in line with labor market and job creation conditions.

Encouraging people to go into business for themselves by informing students and parents of labor market directions and promoting a better view of self-employment. Those who are interested should be given training in order to increase their knowledge about vocational and business matters, management, financial markets and accounting.

Promoting and finding labor markets abroad by attaching more importance to developing the Thai labor market in the ASEAN countries.

C. Establish a social and manpower development and job creation mechanism through the cooperation of all sectors and stress the principle of self-reliance and mutual cooperation in order to lighten the state's burden by:

Adjusting the state's role in providing social services. Consideration must be given to the country's financial limitations. Roles in obeying the laws and regulations and facilitating things must be emphasized.

Encouraging private businesses to play a greater role in providing social services. This must be done by promoting suitable investments and using pricing policies as incentives.

Encouraging private organizations to coordinate things with the public sector and using the plans as tools to coordinate things so that things are done based on the same targets and directions.

Establishing a system of community participation in social development. Stress must be placed on establishing a system and persuading more people in urban areas, particularly the crowded communities and residential areas, to participate in order to solve the social problems. Instead of appointing organizations, the government should encourage the communities to form their own organizations.

Promoting the family as the main institution in solving problems. Families must be made to understand their responsibilities to society.

(6) The production system, marketing and technology development plan:

Hitting the general economic expansion targets during the period of the 6th Development Plan depends on the limitations and on world market and economic changes. Thus, it is essential to have a production system, marketing and technology development plan that is in line with the changes. The important elements of this are:

A. Implement policies to follow up on the 5th Development Plan by:

Improving the agricultural production structure so that the agricultural families earn a better income and have a better standard of living.

Developing export industries that use domestic raw materials. This must be done by expanding the industrial export base, adjusting the import-substitute industries so that they can export goods and having new types of export industries.

Developing small and rural industries. Guidance and support must be given in order to develop industries in areas suited to the existing production conditions. The state must give the small and rural industries as much, if not more, support than it does the large industries. The small industries must receive adequate financial support. These industries must be encouraged to use new techniques in production.

Developing and expanding the role of the services that bring in foreign currency either directly or indirectly and that create jobs for educated people. Besides tourism, the important services that must be developed include construction, transportation, insurance services and financial business services.

Stepping up exports by changing the concept from "selling what is produced" to "producing for selling."

Carrying on things based on the project to develop agricultural industries, export industries and related industries along the eastern seaboard.

Promoting cooperation between the public and private sectors.

B. Improve efficiency and quality in production and marketing to compete more effectively with other countries by:

Improving the quality of production based on market conditions.

Increasing efficiency in utilizing existing and recoverable natural resources in agricultural development in order to expand production in the available areas both within and outside the irrigation zones and in coastal areas that have not been used for fishing activities.

Providing an infrastructure, particularly communications and telecommunications, to provide direct support for production and marketing.

Developing technology for agriculture and industry in order to use advanced technology, such as engineered breeding, stock biology and metallurgy, as appropriate.

Attaching importance to developing the market information system. Emphasis must be placed on establishing an information system that will provide signals on needs for goods and on the quality and price of goods on world markets. Such a system is needed in order to inform domestic producers of export goods about these things. This will enable Thailand's production of export goods to be based on the needs of foreign markets.

Providing opportunities for producers of foreign goods to compete. Emphasis must be placed on improving the incentives, providing financial help and improving the quality of the products.

Attaching importance to formulating both domestic and foreign production and marketing plans and projects and making state services available in order to promote exports.

C. Cooperate with all sectors in order to develop production, marketing and technology by:

Improving cooperation with the private sector in developing agriculture in the advanced, average and backward agricultural areas.

Establishing an organization to coordinate the export plans and projects, particularly the export plans of public and private units.

Attaching importance to developing the system of financial institutions. Consideration must be given to the feasibility of establishing organizations that can serve as tools in expanding exports. Such organizations might include an import-export bank and an export-credit guarantee institution. Also, the domestic insurance institutions must be improved and developed so that they become efficient and secure institutions.

Establishing a mechanism to coordinate the operations plans so that the plan to develop tourism is implemented.

Developing a system and mechanism of public-private collaboration in developing science and technology, particularly in transferring technology from abroad, research and development. Testing standards must be set, and our scientific and technical manpower must be developed.

A system of international cooperation in the investment, marketing and export fields must be developed.

(7) The infrastructure development plan:

To enable the economic infrastructure, particularly communications, transportation, energy and basic public services, to play a role in hitting the general development targets, the following important elements of the economic infrastructure development plan must be implemented:

A. Follow up on the 5th Development Plan by:

Maintaining and utilizing the existing network and giving special attention to the "gap" in the main communications network.

Expanding the infrastructure network in the "urban areas" so that it keeps pace with the growth of the cities and making orderly use of the land.

Improving the communications projects, of which there is a great shortage, particularly telephone service at the center and in the provinces.

Adjusting the energy structure so that there is greater balance and things follow up on the 5th Development Plan. During the period of the 6th Development Plan, oil use must be reduced to 35 percent of all energy consumed. More natural gas must be used in place of oil. The supply of natural gas must be increased, and more natural gas sources must be developed, both in the Gulf of Thailand and on land. The policies on selling domestic oil refining capacity must be adjusted as appropriate by giving consideration to the excess capacity of nearby oil-refining countries.

B. Improve the efficiency and quality of the infrastructure by:

Adjusting service charges so that the services are self-supporting in the cities. The state will subsidize services only in the rural areas. Service charges do not have to be the same nationwide. The actual charge must depend on the production costs in each area, an example being water in rural areas.

Making retail prices of oil products more elastic in order to reduce distortions. Consideration must be given the role of the Oil Fund. Consideration should also be given to lifting retail price controls on oil during the period of the 6th Development Plan and to setting wellhead gas prices in order to solve the negotiating problems and step up the development of domestic energy sources.



C. Improve the economic infrastructure administrative organizations by:

Overhauling the internal administration and regulations to make them more flexible. The state no longer needs to monopolize the management of the economic infrastructure. There should be joint investments, and the role of the private sector should be increased.

Adjusting the role of the state and the Petroleum Trust of Thailand in energy exploration, production, transportation and refining and in joint investment in energy and oil projects. Consideration must be given to the country's financial limitations and to the flexibility of the private sector. The laws on joint investment, production commitments, the return of concession areas and exploration data must be revised in order to "stimulate" domestic energy producers. The government's share must be linked more to the rate of production.

(8) The state enterprise development plan:

The efficiency of the state enterprises must be increased so that they become more competitive and self-reliant. This will lighten the financial burden on the government. They will then be important elements in increasing the country's economic and trade competitiveness in the future. The state enterprise development plan contains the following important elements:

A. Implement policies and measures to improve the state enterprises as a follow up to the 5th Development Plan by:

Implementing measures to save money and reduce production costs so that the state enterprises earn sufficient revenues to become self-reliant and less dependent on subsidies and loans.

Changing the status of those state enterprises that fail to achieve good results.

Retaining the government's role, wholly or in part, in social-welfare type state enterprises.

Adjusting the price of goods and services of public-services type state enterprises so that they become self-supporting and have more capital to invest.

Having a central organization oversee the state enterprises.

B. Increase the efficiency of the state enterprises by:

Increasing the operating efficiency of the state enterprises, particularly those of a monopolistic nature, and having them generate more revenues for the state.

Having the state enterprises revise their investment plans in order to have suitable capital and debt-creation ratios. They must increase the proportion of investments from their own revenues.

Reducing or ending loan guarantees for state enterprises so that they invest only in projects that give a high rate of return and that are approved by the loan sources.

C. Improve state enterprise management and have all sectors join forces by:

Reducing the role of the state enterprises in industry and in certain basic service activities that can be carried out more efficiently by the private sector. This can be done by letting the private sector invest in these activities or by leasing or transferring the activities to the private sector wholly or in part.

Allowing state enterprises to invest--for a stipulated period of time--in new industries in which the state must play a role during the initial period and which require much investment capital and technology.

Having the ministries and central organizations to which the state enterprises are subordinate supervise them closely. There must be state enterprise plans and more efficient personnel management.

(9) The plan to improve administration and review the state's role in national development:

In order to implement the eight plans discussed above in an efficient manner and hit the general targets that have been set, public-sector administration must be improved so that things can be carried on in a systematic manner. The following are the important elements of the economic and social development administrative plan:

A. Follow up on the 5th Development Plan by:

Supporting the coordinating mechanism of the central units in formulating plans, allocating expenditures, allocating manpower and mobilizing revenues so that everything is in harmony.

Supporting the work of the Joint Public-Private Committee and expanding the activities into the provinces.

Supporting the administrative system based on the rural development plan.

Supporting the administrative system based on the eastern seaboard development plan.

Supporting the economic and social development activities so that they are linked to and in harmony with the national preparedness plan.

B. Increase administrative efficiency so that it is possible to translate policy into practice by:

Stipulating a coordinating mechanism for operations plans.

Establishing mechanisms for translating the plans and policies into practice at the provincial and local levels.

Developing the data system for administration.

Promoting understanding and fostering cooperation in work. This must be done by relying on the public relations for development system based on the national public relations plan.

B. Adjust the state's role in order to unite all sectors in development by:

Having the state provide encouragement or incentives rather than actually getting involved or investing in production and distribution.

Reducing the economic and price distortions in the country.

Dividing the national development burden between the government, local administration, state enterprises and private sector in a suitable manner.

#### 4. Discussion points:

4.1. To approve the targets, principles, policies and plans for the 6th Development Plan presented in section 3.

4.2. To have the Office of the National Economic and Social Development Board, together with the government units and state enterprises concerned, work out the details of the nine plans discussed in section 3 and periodically submit matters to the Council of Economic Ministers to obtain its approval. The exception is the social development plan. The details of this plan should be discussed with the ministers concerned.

4.3. To have the government sectors concerned hold to the framework of the nine plans and to have the Budget Bureau provide support in preparing the budget system so that things are done based on the plans beginning in fiscal year 1987.

4.4. To have the National Committee to Reform the Bureaucracy and Administrative Regulations begin discussing methods, measures and operations plans in order to improve the state's administrative system, have a planning system and coordinate forces.

#### Summary of the Direction of the 6th Development Plan, 1987-1991

##### National Development Outcomes:

General economy to expand at an average rate of 5.3 percent a year.

Capable of maintaining the country's position to keep it from experiencing severe problems because of the world economic situation.

Capable of developing the country on various fronts, such as expanding the state's economic and social services, opening new economic zones and developing energy.

Will create a system of public-private cooperation in development.

By the end of the 5th Plan, unemployment had grown worse.

Limitations:

World economy is uncertain.

Price of primary goods is low.

Country's monetary and fiscal security.

Number of laborers is increasing.

More urban problems.

Deterioration of the natural resources and environment.

State's administrative capabilities and financial limitations.

One target: To have the general economy expand at a rate of more than 5 percent a year by stressing expansion that will support the creation of jobs and the distribution of revenues and that will maintain the economic balance so that there will be opportunities to advance continually and securely.

Three lines:

Develop and adjust the economic and social structure in the important sectors as a follow-up to the 5th Plan and find opportunities to make economic progress.

Improve efficiency and quality in production, marketing and technology in order to be able to compete against other countries.

Systematically improve the development administration system so that it is in line with the state's financial capabilities and position.

Nine Plans:

The development plan for the economic and monetary security of the country.

The natural resources and environmental development plan.

The rural area development plan.

The urban and special zone development plan.

The social development, manpower development and job creation plan.

The production system, marketing and technology development plan.

The infrastructure development plan.

The state enterprise development plan.

The plan to improve administration and review the state's role in national development.

11943

CSO: 4207/279

THAILAND

BRIEFS

PLANNED DROP IN RICE CULTIVATION AREA--Thai rice prices are in a crisis. The Ministry of Agriculture has ordered that the area under rice cultivation be cut in half by half a million rai in 16 provinces in the central region. But the authorities' operations have only been half accomplished. The Ministry of Agriculture has urged the private sector to help by growing substitute crops. A meeting to reduce the area under rice cultivation during the 1985-1986 growing season was held by the Ministry of Agriculture and Cooperatives and private company representatives on August 19. After the meeting adjourned, Mr Narong Wongsawan, the minister of Agriculture, disclosed that the price of rice has dropped because of a market surplus. The Ministry of Agriculture's policy is to reduce the area under rice cultivation by growing other crops. Mr Narong disclosed that the area that will be cut down is in the central provinces in the Lower Chao Phraya River area. The aim is to reduce a total area of 3.3 million rai by 475,209 rai. But apparently, some authorities in some provinces have reported that they have been able to cut back only 266,594 rai, which is only 43.75 percent of the target set. Substitute crops being grown in place of rice are yellow soybeans, green soybeans, sesame, corn, wheat, flowers and vegetables. The Agriculture Promotion Department is the working unit responsible for procuring loans, marketing and cultivating techniques for farmers. Private sector representatives confirmed that they will cooperate in reducing the area under rice cultivation by providing data on their operations to the responsible working unit. [Text] [Bangkok NAE0 NA in Thai 20 August 85 pp 1, 16] 12597

SECRET DEFENSE BUDGET UNCUT--The secret defense budget has sailed through. The commission did not dare to cut even a baht; only a 46.7 million baht budget for POL was cut. ISOC's budget for POL was cut by 3.6 million baht. The budget for remodeling the Erawan Hotel was cut from 16 million baht to 800,000 baht. An extraordinary assembly is expected to be in session around 11-13 September to review the budgets for the second and third round. The entire Ministry of Defense budget for national defense along with the central budget that has been set aside for ISOC's national security budget was 39.266 million baht, with only 46.7 million baht for POL for various working units cut. Nevertheless, concerning the part of the budget that was cut, if Defense requests that is a necessity that cannot be cut at all, then the commission will reset the budget again. In conclusion, the budget for Defense was barely touched. Defense's secret budget was not touched because it attached a detailed explanation. The oil expenses budget for ISOC's central budget for national security, which was set at 1,027 million baht, was cut by 3.6 million baht. [Excerpts] [Bangkok NAE0 NA in Thai 20 Aug 85 pp 1, 16] 12597

INTERNATIONAL RELATIONS, TRADE, AND AID

VNA ON PRK'S INCREASED INTERNATIONAL PRESTIGE

OW121847 Hanoi VNA in English 1530 GMT 12 Oct 85

/Article: In Anticipation of Fifth Congress of the Kampuchean People's Revolutionary Party PRP's Rising International Prestige"/

/Text/ Hanoi VNA 12 Oct--So far, nearly 40 countries have recognized the People's Republic of Kampuchea, established diplomatic relations, trade relations or cooperative relations with it.

The PRK is sitting in many international organizations such as the World Peace Council, the Afro-Asian People's Solidarity Organization (AAPSO), the Afro-Asian-Latin American Peoples' Solidarity Organization, the World Federation of Trade Unions, the International Association of Democratic Law Years, the Women's International Democratic Federation, the International Union of Students.

Over the past years, many high-ranking Kampuchean party and state delegations have paid friendship visits to many socialist, nonaligned or developing countries, which helped raise the PRK's position on international arena.

Persisting in its progressive foreign policy, the PRK has constantly developed its special militant alliance with the Socialist Republic of Vietnam and the Lao People's Democratic Republic, and won great support and assistance from the Soviet Union and other socialist countries. Kampuchea's just cause has also enjoyed vigorous support from the Republic of India, a big country currently chairman of the mighty nonaligned movement.

The successful international conference held in Phnom Penh, such as the International Forum for Peace and Stability in Asia in which representatives of 40 countries took part in the Indochinese-Indian seminar not only bear witness to the world people's support for the Kampuchean revolution but also demonstrates the PRK's stability and firm position. The marvelous rebirth of Kampuchea has made deep impressions on hundreds of foreign delegations with different political conventions from various parts of the world.

CSO: 4200/70

INTERNATIONAL RELATIONS, TRADE, AND AID

CPV GREETES YEMEN SOCIALIST PARTY CONGRESS

OW111643 Hanoi VNA in English 1510 GMT 11 Oct 85

/Text/ Hanoi VNA 11 Oct--The Central Committee of the Communist Party of Vietnam has extended its warmest greetings to the third congress of the Yemen Socialist Party (YSP).

In its message of greetings to the YSP Central Committee, the CPV Central Committee said:

"Over the past 5 years, under the leadership of the YSP Central Committee headed by esteemed comrade 'Ali Nasir Muhammad, the Yemeni people, with their tradition of industriousness and indomitable revolutionary struggle and enjoying great assistance from the Soviet Union and other socialist countries, have recorded great achievements in their national construction and defense, in defending their revolutionary gains and successfully carrying out economic, cultural and social reforms in order to complete the national democratic revolution and create conditions for the advance to socialism. The position and prestige of the Yemen People's Democratic Republic have been constantly raised in the Middle East and the rest of the world.

"The Communist Party and the people of Vietnam greatly rejoice at these great achievements. We are strongly convinced that, after this congress, the fraternal Yemeni working class and people will obtain still new greater successes in their glorious revolutionary cause of taking the country forwards, thus actively contributing to the common struggle of people in the Middle East and the rest of the world, against imperialism, zionism and other reactionary forces, for peace, national independence, democracy and social progress."

The CPVCC expressed sincere gratitude to the Yemeni party, government and people for their heartfelt support for the Vietnamese people in their past liberation revolution and present socialist construction and defense.

It also wished for the constant development of the friendship and militant solidarity between the two parties and two peoples.

CSO: 4200/70



INTERNATIONAL RELATIONS, TRADE, AND AID

SRV NATIONAL ASSEMBLY DELEGATION VISITS HUNGARY 8-14 OCTOBER

OW141815 Hanoi VNA in English 1511 GMT 14 Oct 85

/Text/ Hanoi VNA 14 Oct--A vietnamese National Assembly delegation led by Chairman Nguyen Huu Tho paid a friendship visit to Hungary from 8-14 October at the invitation of the Hungarian National Assembly.

Talks were held between the Vietnamese N.A. delegation led by Chairman Nguyen Huu Tho and the Hungarian N.A. delegation led by Chairman Istvan Sarlos.

The two sides informed each other of the economic, political, cultural and social development in their respective countries, the activities of the N.A. of the two countries. The two delegations exchanged views on the international and regional questions of common concern and reached complete identity of views on all issues raised at the talks. The talks took place in an atmosphere of fraternal friendship.

Pal Losonczi, president of the Presidential Council of the Presidium of the Hungarian People's Republic, cordially received the Vietnamese N.A. delegation. He warmly welcomed the Vietnamese people's achievements in national construction and defense, and fully supported Vietnam's peace initiatives aimed at promoting dialogue, setting the questions in the region by negotiations and building Southeast Asia into a region of peace, stability and cooperation.

The Hungarian president reaffirmed Hungary's consistent solidarity with Vietnam and expressed his firm belief that the fraternal relations and comprehensive cooperation between the two countries would further consolidate and develop.

He asked Chairman Nguyen Huu Tho to convey greetings from Janos Kadar, first secretary of the Hungarian Socialist Workers' Party and other Hungarian party and state leaders to party General Secretary Le Duan, State Council President Truong Chinh and Chairman of the Council of Ministers Pham VanDong, and other Vietnamese party and state leaders.

During its stay in Hungary, the Vietnamese delegation was invited to the first session of the Hungarian N.A., fifth legislature, visited a number of economic and cultural establishments in Budapest and other localities.

CSO: 4200/70

## BRIEFS

DELEGATION RECEIVED IN BRATISLAVA--Hanoi VNA 9 Oct--V. Salgovic, member of the Presidium of the Slovak Communist Party Central Committee (SCPCC) and president of the Slovak National Council, cordially received on 7 October in Bratislava, Czechoslovakia, Nguyen Huu Tho, head of the visiting Vietnamese National Assembly delegation. Among those present at the reception were J. Lenart, member of the Presidium of the Communist Party of Czechoslovakia Central Committee (CPCCC) and first secretary of the SCPCC; P. Colotka, member of the Presidium of the CPCCC and prime minsiter of the Slovak Socialist Republic, J. Srb, deputy chairman of the Federal National Assembly of Czechoslovakia; Vietnamese Ambassador to Czechoslovakia Vu Song and Consul General in Bratislava Vu Hoang. V. Salgovic pointed out that Czechoslovakia always reserves its support and assistance to the Vietnamese people in their past anti-U.S. resistance war as well as in national construction and defense at present. He expressed full support for all Vietnam's efforts to settle issues in Southeast Asia through peaceful negotiations. President Nguyen Huu Tho highly valued the Czechoslovak people's assistance for the Vietnamese people in the past and at present, and expressed his conviction that the visit would further enhance the friendship, and effective and comprehensive cooperation between Vietnam and Czechoslovakia. /Text/ /Hanoi VNA in English 0712 GMT 9 Oct 85/

GROUP LEAVES CZECHOSLOVAKIA--Hanoi VNA 9 Oct--The Vietnamese National Assembly delegation led by Chairman Nguyen Huu Tho left Prague yesterday, successfully concluding its 6-day visit to Czechoslovakia. While there, the delegation was warmly received by Gustav Husak, general secretary of the Communist Party of Czechoslovakia Central Committee and president of the Czechoslovak Socialist Republic; Lubomir Strougal, member of the presidium of the CPCCC and prime minsiter of the Czechoslovak Government Jozef Lenart, member of the presidium of the CPCCC and first secretary of the Central Committee of the Communist Party of Slovakia, and Peter Colotka, member of the presidium of the CPCCC and prime minister of the Slovak Socialist Republic. The Vietnamese guests had working sessions with Hosef Kempny, member of the presidium of the CPCCC and president of the Czech National Council, and V. Salgovic, member of the presidium of the Central Committee of the Communist Party of Slovakia and president of the Slovak National Front. They visited several economic and cultural establishments in Prague, Bratislava, Karkovy Vary and some other localities. Wherever they went, they were warmly welcomed by the local population and leaders. The Vietnamese National Assembly held talks with a delegation of the National Council of

5 November 1985

Czechoslovakia led by Chairman A. Indra. The two sides informed each other of their countries' situation and exchanged views on international issues of mutual concern. The talks took place in an atmosphere of cordiality and the two sides were unanimous on all questions raised for discussion. The two sides satisfactorily noted that the fraternal friendship, militant solidarity and allround cooperation between Vietnam and Czechoslovakia have constantly been consolidated and developed on the principles of Marxism-Leninism and socialist internationalism. The two sides agreed that the official friendship visit to Czechoslovakia of the Vietnamese National Assembly delegation has made an important contribution to the consolidation and strengthening of the solidarity, fraternal friendship and allround cooperation between the peoples and National Assemblies of the two countries. /Text/ /Hanoi VNA in English 1541 GMT 9 Oct 85/

SRV, HUNGARY HOLD PARLIAMENTARY TALKS--Hanoi VNA 10 Oct--Talks were held in Budapest yesterday between the visiting Vietnamese National Assembly delegation led by its chairman Nguyen Huu Tho and the Hungarian National Assembly delegation led by President Istvan Sarlos, Political Bureau member of the Hungarian Socialist Workers' Party Central Committee. The two sides informed each other of the situation in the building of the technical and material basis in their respective countries, the implementation of the two parties' resolutions and activities of the two national assemblies. They exchanged views on international issues of mutual concern and condemned the imperialist and reactionary forces for stepping up the arms race and the militarization of outer space, and creating tension in the world. The Hungarian side voiced full support for the efforts made by Vietnam, Laos and Cambodia aimed at settling disputes in the region by means of negotiation and turning Southeast Asia into a region of peace, stability and cooperation in the interests of peoples in Southeast Asia and the world as a whole. /Text/ /Hanoi VNA in English 1538 GMT 10 Oct 85/

PAPER REACTS TO 'CALUMNIES'--The Hanoi Army paper QUAN DOI NHAN DAN comes out strongly against the Chinese and Thai authorities for the calumnies against Vietnam and their distortions of the situation in Kampuchea. In a commentary on Thursday, the paper emphasizes that the more they slander Vietnam and distort the situation in Kampuchea and the goodwill for peace of the three Indochinese countries, the more they reveal themselves as deceivers. /Text/ /Hanoi International Service in English 1000 GMT 10 Oct 85/

MEETING WITH HUNGARY'S LOSONCZI--Hanoi VNA 11 Oct--Pal Losonczi, Political Bureau member of the Hungarian Socialist Workers' Party Central Committee and president of the presidium of the Hungarian People's Republic, received in Budapest on 10 October the visiting Vietnamese National Assembly delegation led by its chairman Nguyen Huu Tho. Present at the reception were Istvan Sarlos, Political Bureau member of the HSWPCC and president of the Hungarian National Assembly; and Vietnamese Ambassador Nguyen Luong. Pal Losonczi warmly welcomed the Vietnamese guests' visit which, he said, would help strengthen the friendly ties and the fraternal cooperation between the two assemblies and the two peoples. He warmly acclaimed the Vietnamese people's achievements in national construction and defense and highly valued Vietnam's efforts in promoting the trend of dialogue in order to settle by peaceful means questions of Southeast Asia. He also reaffirmed Hungary's constant support for Vietnam's diplomatic activities as well as socialist construction. Chairman Nguyen Huu Tho hailed

the great achievements recorded by Hungarian people in building a developed socialist society and expressed sincere thanks to the Hungarian party, government and people for their precious support and assistance to the Vietnamese revolutionary cause. He also expressed the hope that the friendly relations, the solidarity and allround cooperation between the two countries, based on the Vietnam-Hungary treaty of friendship and cooperation signed in November 1984 would be further consolidated and developed. /Text/ /Hanoi VNA in English 1505 GMT 11 Oct 85/

ARMY DAY RECEPTION--Hanoi VNA 11 Oct--Polish military attache to Vietnam Col Leon Pastuszyk gave a reception here this evening on the occasion of the 42nd Polish Peoples Army Day (12 Oct). Present on the occasion were Senior Lt Gen Tran Van Quang, vice defense minister; Nguyen Van Trong, deputy head of the international department of the Communist Party of Vietnam Central Committee; Vu Xuan Ang, assistant to the foreign minister and other high-ranking officers of the Vietnam people's members of the diplomatic corps in Hanoi and military attaches of the socialist countries to Vietnam attended the reception. Hosts and guests raised toasts to still new greater achievements of the Polish people's army, under the leadership of the Polish United Workers' Party in building socialism and defending the socialist Poland, and to the constant consolidation and fine development of the friendship, military solidarity and cooperation between Vietnam and Poland. /Text/ /Hanoi VNA in English 1542 GMT 11 Oct 85/

TOURISM DELEGATION VISITS CUBA--Hanoi VNA 12 Oct--A delegation of the Vietnam General Department of Tourism led by its direct, Le Kha, paid a friendly visit to Cuba from 19-29 September as guest of the National Institute of Tourism of Cuba. The delegation was received by Jose Padron, member of the Communist Party of Cuba Central Committee and president of the Institute of Tourism. Vietnamese Ambassador to Cuba Hoang Luong was also on hand. As agreed upon by the two sides, the Cuban side will help Vietnam in expanding its tourist industry, especially in hotel construction and personnel training. The two sides have also agreed on mutual exchange of socialists in tourism and hotel trade. /Text/ /Hanoi VNA in English 0701 GMT 12 Oct 85/

PRAGUE PARTY DELEGATION VISITS HANOI--Hanoi VNA 12 Oct--A delegation of the Prague Committee of the Communist Party of Czechoslovakia (CPC) led by Antonin Kapek, members of the presidium of the central committee of the CPC and first secretary of Prague Party Committee, arrived here today on a visit to Hanoi at the invitation of the Hanoi party committee. The legation included Koral Beranek, member of the CPC Central Committee and second secretary of Prague party committee; Frantisek Stafa, member of the CPC Central Committee and chairman of Prague nationality committee; Jaroslav Piikak, member of Prague party committee and secretary of Prague Socialist Youth Union, and Frantisek Torojasek, member of Prague party committee and director of Prague cultural palace. The guests were welcomed by Le Van Luong, member of the Communist Party of Vietnam Central Committee (CPVCC) and secretary of Hanoi Party People's Committee, Tran Vi, member of the CPVCC and chairman of Hanoi people's committee and Czechoslovak Ambassador to Vietnam Vohuslav Handl. /Text/ /Hanoi VNA in English 1602 GMT 12 Oct 85/

NEW SRV-LAO FRIENDSHIP CHAPTERS STARTED--Hanoi VNA 12 Oct--Two new chapters of the Vietnam-Laos Friendship Association set up at the Quang Nam-da Nang joint state and private ownership auto transport enterprise and the Da Nang polyclinic made their first public appearance respectively on 11 and 12 October in honor of the 40th anniversary of Laos' independence day. Present on the occasion were Vo Van Dang, president of Quang Nam-da Nang chapter of the Vietnam-Laos Friendship Association; Khumphay Keo Phouvong, head of the Lao representation in Quang Nam-da Nang and others. Also on this occasion, the Lao representation in Da Nang organized a communist labor day at the tien sort with the participation of Saly, deputy head of the Lao representation and representatives of the local trade union, youth and women organizations.  
/Text/ /Hanoi VNA in English 1550 GMT 12 Oct 85/

SUPPORT FOR SOUTH AFRICAN STRUGGLE--Hanoi VNA 12 Oct--A meeting in support of the struggle of South African people, youth and students against the Pretoria racist regime, was jointly held at the Hanoi University today by the Ho Chi Minh Communist Youth Union, the Vietnam Youth Federation and the Vietnam University Students' Union. The participants observed the silence in the memory of more than 500 South African fighters who had laid down their lives in the struggle and demonstrations against the racist policy for the right to live equally. The meeting approved a joint statement made by the sponsoring organizations which says: "We, on behalf of more than 16 million Vietnamese youth and students, strongly condemn the racist administration's barbarous repression against the just struggle of South African people, youth and students. We would like to reaffirm our full support for the South African friends' struggle against the racist regime for freedom and equality. We demand that the Pretoria authorities immediately and unconditionally end all their barbarous acts of repression against the struggle of the African people and youth. We are strongly convinced that the struggle of South African people, youth and students will finally be crowned with victory." /Text/ /Hanoi VAN in English 1556 GMT 12 Oct 85/

NEW POLISH ENVOY ARRIVES--Hanoi VNA 14 Oct--Marian Ejma-Multanski, ambassador extraordinary and plenipotentiary of the People's Republic of Poland, today presented credentials to State Council Vice President Le Thanh Nghi. The vice president had a cordial conversation with the Polish ambassador. Also on hand were Nguyen Co Thach, minister for foreign affairs; and Nguyen Viet Dzong, director of the office of the National Assembly and the State Council.  
/Text/ /Hanoi VNA in English 1636 GMT 14 Oct 85/

CSO: 4200/70

PARTY ACTIVITIES AND GOVERNMENT

HANOI RECRUITS 1,939 NEW PARTY MEMBERS

Hanoi HANOI MOI in Vietnamese 26 Jun 85 pp 1, 4

[Article by Tran Trong Que: "During First 6 Months of 1985, Municipal Party Organization Admits 1,939 New Party Members"]

[Text] During the first 6 months of 1985, the municipal party organization admitted 1,939 new party members, a 10 percent increase over the same period last year. Of this number, 56.3 percent were members of the Ho Chi Minh Communist Youth Union, 29 percent were women, 26.3 percent were workers directly engaged in production, and 25 percent had college educations or higher. Party organizations in the wards and districts of Dong Da, Hoan Kiem, Ba Dinh, Gia Lam, Dong Anh and Tu Liem did well at this work. The districts of Dan Phuong, Hoai Duc and Soc Son admitted the fewest number of new party members. Although the number of new party members admitted was greater than during the first 6 months of 1984, only 50 percent of the primary level party units engaged in party development work. Many production teams in the industrial bloc still have no party members.

During the first 6 months of the year, the number of new party members admitted by the party organization of Dong Da Ward (310) was equal to one-sixth of those admitted by 16 wards, districts and cities. The reason that Dong Da led the city in this work was that the ward party committee had specific methods for assisting the primary level party units to promptly overcome procedural difficulties. Many classes have been organized by the party in each area for large numbers of students. The standing committee of the ward party committee promptly reviewed admission records. The Central Trade Union School, Central Control School, Rang Dong Light Bulb and Thermos Bottle Plant, and Post and Telegraph Construction Corporation have led the ward in party development. After 6 months without party development in the party chapter of the Dai La Brick Enterprise, three workers entered the party during the past 6 months.

7300  
CSO: 4209/11

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## PARTY ACTIVITIES AND GOVERNMENT

## SUBWARD LEVEL PLAYS EXTREMELY IMPORTANT ROLE

Hanoi HANOI MOI in Vietnamese 28 Jun 85 p 2

['Party Work Notebook' Column by Nguyen Chi Tinh: "Subward Position Being Affirmed by Practice"]

[Text] For nearly the past 2 months, many subwards have begun to formulate and achieve production development plans within their areas with available potential capabilities. In Hoan Kiem Ward alone, 10 subwards have engaged in the work above. A number of subwards have produced commodity products. Naturally, as this work is still extremely new, like in many other tasks, it is initially difficult to avoid reversals, weaknesses and even defeats if calculations are not careful. However, a stimulating and supportive factor is that the subward party organization and administrative have gradually recognized that the role and position of an administrative echelon is to take economic development and care for the lives of the people as the number one struggle objective.

Nevertheless, this is not to say there is not a view by a number of cadres that building the subward administration causes the state apparatus to become increasingly bureaucratic and cumbersome. They present a number of things which this or that subward has done in error or not well (due to a failure to firmly grasp the function and standards of the task and poor recognition of the law) to defend their argument.

However, noting the urgent planning and budgeting missions, the tasks achieved by the subwards during only the past 4 years confirm their position. Without the subward level, would the ward and city be able to manage the population, market, public order, sanitation, etc., tasks directly related to the daily lives of the people? How would the city organize achievement of other major tasks such as government bond campaigns, recruiting, providing employment, etc., if a primary administrative level such as the subward did not exist? Thus, it is not that the subward level will create bureaucratism but the opposite. With the new mechanism, a spirit of initiative and creativity, and enjoying full decentralization, surely the subward echelon will greatly assist in achievement of the socio-economic objectives of shifting to socialist business and eliminating bureaucratism and subsidization.

7300

CSO: 4209/11

CURRENT POLICIES IMPEDING COAL EXPORTS

Hanoi LAO DONG in Vietnamese 22 Aug 85 p 2

[Article by Vu Dieu: "What Are the Problems Surrounding the Exportation of Coal?"]

[Text] Hon Gai anthracite coal has been exported to many countries in the world. In 1939 more of this coal was exported than during any other year under French domination. Following liberation, we exported more than 2 million tons in 1965. We offered for sale 10 different grades of slack coal and 10 different grades of lump coal, all of which we were able to export and all of which sold well. However, since 1980, many difficulties have been encountered in coal production and the quantity of coal exported has declined. From the standpoint of quality, we have had to put on sale a number of grades of coal that have less desirable specifications and are of poorer quality. As a result, we reduced the prices of our coal but still retained customers. Of special interest is the fact that we have many coal customers this year and the demand for coal is high but the coal industry has been unable to meet this demand. The rate at which coal is sorted and loaded has been very slow, especially since late March, and we have regularly had to pay penalties for "detaining ships."

Why does this situation exist? It exists mainly because the production of the coal industry has stood still, because coal output has not increased at a time when coal consumer needs (of just the large power and cement plants alone) have risen continuously. This has affected the balance between domestic consumption and exportation. However, from the standpoint of exportation, the transportation and sorting of coal have not met requirements. Although more than a full year has passed, the major repair work being performed on a few kilometers of railroad track have yet to be completed. Last year, the coal washing plant of the Hon Gai Coal Sorting Enterprise spent a rather large amount of money to restore the plant and the project was awarded a "bonus" of one-half million dong but coal is still not being washed there. Cua Ong tipple number 2, which Poland helped us to construct and which has a capacity of 3.5 million tons per year, has not been in stable operation. Because sorting and washing operations are incomplete, there is a very large amount of rock mixed in with lump coal. In addition, the number of hours that sorting and washing plants are in operation producing product is very low. Plants are only in operation from 2.8 to 3 hours per shift (the requirement is 5 hours and 30 minutes), thus reducing the output and quality of coal.



However, according to the opinions expressed by coal mine directors during a symposium on the exportation of coal, the most important reason for this situation is the fact that the policies (or regulations) on the exportation of coal do not generate interest in or exports among coal producers. Both Nguyen Viet Hoe, the director of Coc 6 Coal Mine, and Duong Mac, the director of the Ha Tu Coal Mine, have stated that it would not be difficult to produce several tens of thousands of tons of additional lump coal for exportation. Where is payment for coal to be obtained once it has been exported? Who is to be asked to make payment? Not even mine directors know the answers to these questions, not to mention mine workers. As a result, penalties are incurred for detaining ships for however many days it takes to load them. These penalties are borne by the corporation, by the ministry, by the state. If, by chance, ships are loaded quickly, there is still not much interest in exporting coal (because, the resulting bonuses must be evenly distributed to everyone!) This method of operating has truly impeded the ability to export coal and decentralized the sources of lump coal, which, if exported, are exported at a very high cost!

At present, there is a spirited movement to gather coal under way in the coal region. However, collecting lump coal is no certainty that it will be set aside for exportation or supplied to consumers in accordance with the state plan! When this coal is exported, no one knows when they are going to be paid. When it is supplied to consumers under the state plan, the price per ton of lump coal is very low. Therefore, they look for ways to directly trade with consumers in exchange for money or goods with which to meet the needs of everyday life. The price per ton of coal traded in this way is actually 10 to 15 times higher than the state plan price. Consequently, persons who are collecting coal want to collect even more and prefer to trade coal and receive equal value in exchange. Thus, it is difficult to avoid sources of lump coal being decentralized. This is also one reason why trucks must be sent nearly 1,000 kilometers from mines in Binh Tri Thien and Hoang Lien Son to deliver a few tons of lump coal to a plant on an "emergency" basis.

Increased coal exports are not only the desire of persons engaged in supply operations, but also the desire of mines themselves. Under the guideline "using coal production to support the development of coal production" that is gradually being implemented, many mine directors want to export coal so that they can purchase additional equipment with which to expand production and purchase consumer goods to support the everyday needs of mine workers. The standard of living of miners is still low and meals for miners still pose a very difficult problem. The desire is high and the potentials are large; however, a very pressing need in turning this desire and these potentials into reality is the need to give mine directors more authority. At the same time, it is very necessary that we adopt realistic and fair policies regarding coal producers. Coal exporters must be able to use a satisfactory portion of the revenues from exports. All mine directors agree that were they able to do this, the ability to export coal would increase rapidly and sources of lump coal would be more plentiful. Of course, increasing coal exports does not mean taking coal away from or closing mines to domestic consumers. The mines must continue to supply the full quantity of the different grades of coal

approved by the state in accordance with the plan to those sectors of the economy that have a need for coal.

There must be buyers before something can be sold. Once there are buyers, efforts must be made to export this product. Inaction and delay cause opportunities to be missed and create even more difficulties on top of the difficulties being encountered in acquiring the conditions needed to accelerate and expand coal production.

7809

CSO: 4209/662

ECONOMIC PLANNING, TRADE, AND FINANCE

STATE CHANGES PORK ACQUISITION, PURCHASE POLICY

Hanoi HANOI MOI in Vietnamese 29 Jun 85 p 3

[Unattributed article: "Do You Know About the Present Policy on the Requisition and Purchase of Pork?"]

[Text] [Question] What changes have been made in the present policy on the requisition and purchase of pork?

[Answer] In accordance with Resolution 04 dated 8 January 1985 of the Council of Ministers, the sale of pork to the state at obligation prices is hereby abolished. The state will requisition and purchase pork from collective economic units and families in accordance with two formulas:

Purchases will be in accordance with a two-way economic contract and mutually agreed upon price. The price level will be stipulated by the state with guidance for each area during each specific period of time.

State-operated units assigned stock raising missions and plans will deliver hogs to the state at a directed price.

State-operated economic units not assigned stock raising missions but fully utilizing the conditions of the unit to develop stock raising will sell pork to the state at a mutually agreed upon price.

Collective stock raising facilities will generally speaking sell pork to the state in accordance with two-way contracts. At the present time while the state does not have the necessary conditions for supplying breeder animals, feed and veterinary medicine in order to sign two-way contracts, purchases will temporarily be in accordance with mutually agreed upon prices.

The families of cooperative members and people in general who raise stock will sell pork to the state at mutually agreed upon prices. In cases where the stock raiser requests and the state is able to supply materials and goods, the purchases will in accordance with two-way contracts.

The state conducts unified management of acquisition, purchase and distribution of pork and beef through state-operated trade organizations and marketing cooperatives. Private merchants are forbidden to trade in pork and beef.

[Question] At what objective is the above change in the state policy of pork acquisition and purchase aimed?

[Answer] The above change in the state pork acquisition and purchase policy is aimed at two objectives:

The first is to encourage stock raising development and the stock raiser to sell pork to the state with payment at two-way contract and mutually agreed upon prices which will further increase income in order to develop production, to assist in swiftly making stock raising a major production sector, and for the enlarged hog herd to further increase the source of fertilizer in order to increase crop yields.

Second is to create favorable conditions for the socialist commerce sector to control increasingly greater volumes of meat and commodities for introduction to organized circulation, to better answer the food requirements of national defense and socialist industrialization and those of all society, and to assist in stabilizing market prices and the lives of the people.

[Question] In accordance with the pork acquisition and purchase policy at the present time, are the norms in pork acquisition, purchase and collection for the state still legal norms?

[Answer] In accordance with the new policy on pork acquisition and purchase, the state still assigns pork acquisition and purchase norms to the various local areas. The municipal people's committee will, based on the state-assigned norms and on local consumption requirements, assign norms to districts and cities. The district and city people's committees will assign norms to villages and subwards. These norms are still legal.

State elimination of obligation prices is aimed at encouraging stock raising development while pork acquisition and purchase norms are still considered as legal norms and the sale of pork to the state is still considered an obligation of the citizen to the state because grain and pork requirements are strategic commodities for supplying the requirements of building the nation and national defense.

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CSO: 4209/11

ECONOMIC PLANNING, TRADE, AND FINANCE

HOUSEWIVES' COMPLAINTS REVEAL PROBLEMS WITH NEW WAGE POLICY

Hanoi LAO DONG in Vietnamese 22 Aug 85 p 2

[Article Ao Xanh: "Housewives Complain That..."]

[Text] The addition of compensation for prices to the wages of manual workers and civil servants has been enthusiastically received because it gives them control over how their wages are spent and allows them to freely buy what they and their families need. This is clearly a progressive reform. Yet, I have heard many housewives complain:

Housewife number one: my lord! It's hard enough to get the money to buy a meter of good cloth. On top of that, state store personnel are colluding with "black marketers" who are buying up all the attractively colored wool tweed at a price of 600 dong per meter and selling it on the outside for 1,000 dong. The police should arrest all of these crooks!

Housewife number two: it's the same with rice and meat. Several days before they began adding compensation for prices to wages, we suddenly learned that if you didn't buy everything available under ration standards by the end of July, you would have to throw out the rest of your meat coupons and rice book. So, everyone went and got in line. Because of all the pushing and shoving, I was unable to buy anything and had to sell my coupons to the store for 170 dong per kilogram. The price at which I was compensated was 300 dong, so, I lost nearly half. Those persons at the store should be arrested!

Housewife number three: now, on the heels of commerce and grain sector personnel admittedly making a mistake by "fishing in troubled waters," our "Mr. Village" here has also become involved in a "negative" phenomenon that just cannot be tolerated. Back when he was bringing home a salary of a few hundred dong, he would only have enough left to buy a few packs of matches. Now that he is bringing home several thousand dong per month, he has taken leave of his senses and begun selling 500 dong saving coupons to black marketers for 400 dong. Then, he gets his friends together for a beer party and they drink themselves under the table. No words can describe my anger!

There are many, very many stories being told. And each one in some way has to do with a "negative phenomenon" on the part of persons working in distribution and circulation for the state and even on the part of cadres and manual

workers. These are not nice things to talk about but let us ask housewives to bring them to our attention in the press so that anyone who is in a position of responsibility gives the above mentioned phenomena closer scrutiny and anyone who makes these mistakes rectifies them before they are caught just like the persons mentioned here have been.

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CSO: 4209/662

ECONOMIC PLANNING, TRADE, AND FINANCE

SUBWARDS PLAY IMPORTANT ECONOMIC MANAGEMENT ROLE

Hanoi HANOI MOI in Vietnamese 26 Jun 85 p 2

[Unattributed article: "Create Conditions for Strong Shift by Subwards to Planned, Budgeted Economic Management"]

[Text] The Hoan Kiem Ward Party Committee recently summarized the task of 4 years of building the subward level and set forth a number of methods aimed at assisting the subward to rise in every aspect and to create conditions for the subward to strongly shift to production organization, to give concern and care for the lives of the workers, and to delve into economic management. A few features are presented below for mutual reference and exchange of views:

Hoan Kiem Ward affirmed that the subward must shift strongly to planned and budgeted economic management. Based on the actual situation, each subward must define a socio-economic structure and seek out the strengths of the local area for proper exploitation and use.

The subward's planning duty consists of: the production plans of production teams, individual households and secondary family income; trade and commercial business plans; tax collection and market management and transformation plans; population plans and the provision of jobs; plans for cultural development, education, public health, physical education and sports; plans for urban management, the construction and repair of housing, and welfare projects; and finance plans.

Within the realm of economic development, the subward may organize, arrange and manage all small industrial production teams, individual handicraft households, trade teams, and teams engaged in minor repair involving: housing, electricity, water, rudimentary transportation, and freight handling. The subward may establish production shops directly subordinate to the subward people's committee.

Expanding the activities of the marketing cooperative and purchasing agricultural products and foods at delivery points and the works of art produced by production teams and individual craftsmen in the subward will create a fund of commodities for use in exchange with other local areas and economic units. Expand the form of acting as an agent for state trade, and service activities such as cutting and curling hair, washing and ironing clothes, purchasing grain and food to assist the people, looking after and seeing children off to school, processing food, raising industrial chickens, etc. The ward does not engage in business cooperation with the private operators but only uses their skills and techniques and attracts them to the marketing cooperative.

The subward is responsible for supervising local state stores with the purpose of assuring fair, convenient and sanitary distribution; managing the daily work of a number of cadres sent down from upper echelons of the same sector to work in the subward; managing and arranging private commerce and collection of industrial trade taxes; and the truly proper use of subward labor with plans for providing in-place jobs for the people. The subward may establish a production labor management and supervision board headed by the vice chairman of the subward people's committee. The subward will manage primary level production units in all steps from the signing of contracts, the purchase of raw materials and the delivery of products to division and distribution.

To accomplish the tasks above, the subward must have decentralized budget management in order to raise the spirit of creative initiative, gradually abolish subsidization and create a firm revenue and expenditure source. The subward's source of revenue consists of: sector management expenditures relating to production teams and private commerce households; butcher's taxes; sidewalk fees; fines for police offenses and for illegal housing construction and repair; garbage collection fees; accepting and looking after bicycles; money collected for service, cultural and information activities and from the profits of marketing cooperatives and directly subordinate production shops; and a percentage of plan overages and industrial trade taxes. Every revenue and expenditure source of the subward must have a plan, be firmly managed, assure principle and conservation and be effective.

A firm grasp of the population situation is necessary for providing jobs for the people. Organize welfare activities, assist and care for wounded soldiers, families of war dead, retired cadres, the weak, the homeless and the disabled. Encourage the subward to organize child care centers and kindergartens along a guideline of "the subward and the people working together." Each subward or intersubward must conduct work-study classes to teach trades and to create a legitimate income for the youths. Organize literary units and clubs in order to educate the teenagers and youths. Guide the arrangement of weddings and funerals in accordance with the new life style. Effectively use wired radio stations, bulletin boards, small exhibits and cultural and literary activities in propagandizing and guiding the people in achieving every position, line, policy and law of the party and the state.

The subward is authorized to halt and fine families engaged in illegal housing construction and repair. Every case of housing construction, repair, buying and selling, title transfer, and distribution must have the approval of the standing committee of the subward people's committee. Agencies, enterprises, cooperatives, etc. located in the subward are all responsible for assisting in subward construction. Bureaus, sections, sectors and mass organizations must shift the course of their supervision and inspection to follow the requirements of the ward party committee and create every condition in cadres and material facilities for the subward. Stronger decentralization to the subward must be continued. Maintain and raise the quality of ward work teams in the subward. The ward party committee organization department, local government organization bureau, and subward party committees must continue to build and delineate the cadre ranks in the subward, and provide advanced training to the subward cadres in knowledge of economic management, state management, urban management, law, and party construction.



AGRICULTURE

HANOI TRADE UNIONS ASSIST AGRICULTURAL PRODUCTION

Hanoi HANOI MOI in Vietnamese 5 Jun 85 p 3

[Interview with Pham Van Hung, Member of the Standing Committee of the Hanoi Municipal Trade-Union Federation: "Introduction of Scientific and Technical Advances and Developing the Strength of Capital Industry in the Agricultural Production Front"; date and place not specified]

[Text] [Question] Would you briefly evaluate the worker and civil servant movement and the activities of capital trade unions on the agricultural production front during the past few years?

[Answer] Generally speaking, the workers and civil servant movement and the activities of capital trade unions on the agricultural production front during the past few years have had an effect of raising the responsibility of the trade union and worker-civil servant cadre ranks in developing the agriculture of the city, strengthening the worker-farmer alliance, and gradually reducing negative occurrences such as sloppy and careless work, making demands and creating trouble for the cooperatives. The movement is developing strongly among those units directly participating in the agricultural production process and in the scientific and technical research sectors and agencies and in colleges located within the district, and has produced good results. There have been a number of advanced models in each step whose experience should be summarized and widely applied in order to expand the results such as the Gia Lam agricultural machinery and repair station, the agricultural irrigation complex of Phuong Bang in Hoai Duc District, the Dan Hoai Agricultural Irrigation Corporation, the Gia Lam material supply enterprise, the Dong Anh Electric Power Branch Office, the Vietnam Institute of Agricultural Science, the Jose Marti College of Agriculture, the Tam Hiep machine enterprise, etc.

[Question] What lessons in experience has the trade-union federation gained in movement supervision?

[Answer] We have gained the following lessons in experience:

1. We have clearly defined that the organization of emulation movements on the agricultural production front is an important task requiring concentrated supervision, and that the district trade union is a basic component in organizing emulation association activity in support of agriculture. Consequently, the municipal trade-union federation has emphasized construction of district-level trade unions and advanced training to raise the abilities of the district trade

union cadres to create conditions for them to participate in the local economic management and to activate the revolutionary movements of workers and civil servants in the local area, especially emulation movements on the agricultural production front.

2. Because we promptly discovered that the issue of synchronized association and coordination between the electric power, water conservancy and agricultural sectors is a great potential capability of industry as it pertains to agriculture, we have since the beginning of 1982 organized the signing of emulation pledges between the three sectors, creating a firm and effective course for the agricultural production emulation movement in Hanoi and producing clear results in intensive cultivation to increase crop yields. This experience was by 1984 being used by the Confederation of Trade Unions in supervising association between the three sectors above on a national level.

3. We have classified 12 districts and cities into four complexes of nearly similar model conditions, intensive cultivation standards and trade union capabilities, from that setting objectives, themes, methods and emulation standards between the districts of each complex and between the complexes. A system of close inspection with open grading and classification has had a good effect on the exchange of experience and on advanced training to raise the responsibilities and operational abilities of the district trade unions.

4. Initial efforts were made to connect organization of agricultural production emulation association with the "Excellent Labor" movement, through that expanding and raising the quality of specialized sector emulation movements such as the emulation to build outstanding tractor stations, emulation with the Cau Ghe agricultural irrigation complex, emulation in the direct transportation of agricultural products to cooperatives, emulation in outstanding hog raising, etc.

In conjunction with emulation motivation, emphasis has been given to ensuring harmonious relations in material benefits between the state, the collective and the individual through economic contract forms aimed at stimulating an emulation movement to promote the strong development of agricultural production and to overcome negative occurrences.

[Question] What are the weaknesses and shortcomings of the movement?

[Answer] Along with the results attained, the activities of the trade union and the Hanoi workers and civil servants movement on the agricultural production front have not strongly or totally developed, economic quality and effects are still not high, requirements have not been profoundly and totally answered in accordance with Resolution 03 of the Confederation of Trade Unions, and they still fail to match the great role, position and potential in industry and in science and technology of the capital. Specifically:

1. Activities of the trade union have not yet truly delved into the economic-technical-agricultural aspects, and still have no worthwhile effect on the food and industrial crop steps or the purchasing and processing of agricultural products. The number of district trade unions with fair or good movements is not

great. Coordination between trade unions in the agricultural, water conservancy and electric power sectors and district trade unions is not yet firm. Ward trade unions and many others still have no clear effect on the agricultural production movement.

2. A proper level of concern has not been given to studying and proposing to the state the improvement of systems and policies on wage and cash award labor, labor safeguards, social insurance, etc., for workers and laborers directly participating in the agricultural production process, as well as policies on material and spiritual incentives for collectives and individuals to actively introduce scientific and technical advances, and on the effect of industry in stimulating the development of agricultural production.

3. The activities of trade unions in state farms are still greatly confused. Many difficulties and impediments in production and business have not yet been overcome. The mass motivation formula is still poor, capabilities and effectiveness are not high, and there are still not models of agricultural production in the scientific and technical centers. The concept of an industrial-agricultural alliance and the responsibility of industrial workers as well as cadres and employees in administrative agencies toward agricultural production have not yet been raised. Therefore, the quality of many types of machinery, equipment, spare parts, agricultural implements and consumer goods to exchange with the farmers has not been assured. The distribution, circulation, communications and transportation, banking, etc. sectors still have negative occurrences, create trouble, and lack straightforwardness with the cooperatives and farmers.

[Question] In the future, what objectives and methods will the Trade-Union Federation concentrate on in supervising the worker and civil servant movement and the activities of capital trade unions on the agricultural production front?

[Answer] The workers, civil servants and trade union organizations will make an active contribution in the development of agricultural production in rural Hanoi to achieve the following objectives: to maintain a rice area for the entire year of 120,000 hectares, and to strongly shift to intensive cultivation to raise two-crop rice yields during 1985 to 6.5 tons per hectare and to 8 tons per hectare by 1990; to achieve a grain output of 450,000 tons in paddy equivalent in 1985 and 550,000 tons by 1990; to raise vegetable yields to from 10 to 18 tons per hectare; to increase the hog herd to 520,000 head with the acquisition of 160,000 tons in 1985 and by 1990 to 650,000 head with the acquisition of 250,000 tons; to expand the raising of industrial chickens by the families of workers and civil servants and by chicken enterprises to produce 10 million eggs and 1,000 tons of meat in 1985, and 50 million eggs and 2,000 tons of meat by 1990; and to raise the fish raising area to from 7,000 to 8,000 hectares and of industrial and export crops to 18,000 hectares in 1985 and to 30,000 hectares by 1990.

In order to achieve the objectives above, workers, civil servants and trade union organizations will closely connect the agricultural production emulation program with the "Excellent Labor" emulation, organize and achieve agricultural

production emulation association pledges, organize emulation movements with advanced models, etc. In conclusion, capital workers, civil servants and trade unions are striving to introduce scientific and technical advances and to develop the strength of capital industry on the agricultural production front.

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CSO: 4209/11

LIGHT INDUSTRY

RIGID FINANCING PROCEDURES LEAD TO FACTORY SHUTDOWNS

Hanoi DOC LAP in Vietnamese 7 Aug 85 pp 4, 5

[Article by Nguyen The Hung: "Why Has Production at the Sa Giang Factory Been Interrupted?"]

[Text] Shrimp dumplings and soybean wine are two special, local products of Dong Thap Province produced by the Sa Giang Factory. These two products were awarded gold medals at the Leipzig Fair in the GDR in 1978 and at the fair held in the capital Hanoi in 1984. Each year, the factory has been producing hundreds of tons of shrimp dumplings for domestic consumption and exporting to the Republic of France some 120 tons. In 1984, the factory's plan called for the production of 50,000 bottles of 40 proof soybean wine. It produced 103,000 bottles but was still unable to meet export and domestic needs. Recently, in preparation for attending the 12th Moscow Festival, the Central Committee of the Ho Chi Minh Communist Youth Union placed an order with the factory worth 100,000 dong, requesting that quality assurance be guaranteed.

However, during the 2nd quarter of this year, the factory had to cease production because it was not being supplied with raw materials. Materials are available on the free market but the problem here is prices.

To produce shrimp dumplings, in addition to shrimp, the main ingredient, 12 other ingredients are needed: wheat flour, baking soda, baking powder, rice flour, squid gills, garlic, fish sauce, sugar, salt, boric acid, egg whites and citric acid.

And, once the various stages of production have been completed, the subsequent stages also require raw materials, such as plastic bags for the dumplings, cartons and packaging crates and materials. The same applies to soybean wine. Once it is made, bottles, bottle stoppers, labels and so forth are needed.

The most complicated part about making shrimp dumplings is that after the ingredients have been mixed, instead of shaping each dumpling by hand, the ingredients are packed in a tube-shaped bag in order to shape the dumplings and allowed to blend and cool. Then, the mixture is cut into thin slices by machine and sent for drying. The only material that can be used to make these bags is low density polyester granuals. On the market in Ho Chi Minh City,

these low density polyester granuals currently cost 400,000 dong per ton and the factory needs 12 tons per year.

During the past several years, production at the Sa Giang Factory has constantly been interrupted as a result of not receiving a full supply of materials.

The complicating factor which prevents the factory from taking the initiative, from controlling its production is that the failure to receive a full supply of materials has made it necessary for it to buy materials on the outside. Although the free market has all the types of materials that the factory needs for its production, it cannot freely buy these materials. Because prices are high, it must request approval of its procurement prices by the provincial price committee. Only then will the bank allow it to take out a loan or withdraw cash, only then will the finance agency make payment and only then will the price committee approve its production costs and selling prices. These constraints have resulted in significant losses that could have been avoided.

For example:

1. Wheat flour: cooperatives make flour from whole wheat and sell whatever extra flour they have. In late 1984, the approved procurement price for wheat flour was set at 24 dong per kilogram but the price on the outside market was much higher, consequently, cooperatives would not sell flour to the factory at this approved price. At the start of the 2nd quarter, 1985, a procurement price of 52 dong per kilogram was agreed upon but the price committee only approved a procurement price of 51 dong per kilogram. In the end, the factory was unable to buy flour and had no flour for production.

2. Brown sugar: in early March 1985, the factory placed an order directly with the production unit for brown sugar, with quality assurance guaranteed, at a negotiated price of 62 dong per kilogram. However, the price committee only approved a procurement price of 60 dong per kilogram, which was based on the selling price of the province's Agricultural and Food Product Corporation, because it maintained that this sugar did not meet the technical standards for the production of shrimp dumplings. When it asked for approval of a procurement price of 62 dong per kilogram, the actual price of this sugar on the market was 64 dong and one type was 75 dong per kilogram. The units producing this product, cooperative teams and cooperatives that are still private in nature, had sold all of their output to private merchants. When the factory asked to have the free market price approved as its procurement price so that it could obtain sugar for production, no sugar was available, none could be procured.

3. Low density polyester granuals: the factory needs 12 tons of these granuals per year. During the first 6 months of 1985, it was only supplied 2 tons. The factory went in search of granuals on the outside market in Ho Chi Minh City. It made an arrangement to buy granuals at a negotiated price of 385,000 dong per ton. By the time it had this price approved, took out a loan, withdrew cash and completed the procedures for having the money sent to it for the purchase, the price has risen to 400,000 dong per ton. Again, it

was unable to buy what it needed. And, by the time that a procurement price of 400,000 dong had been approved, much time had been wasted going back and forth and production had been affected by the long amount of time spent waiting, as a result of which production costs rose.

If this production unit had control over its finances for just the three materials of wheat flour, brown sugar and low density polyester granuals, it could have purchased them in a few days and realized a gain of hundreds of thousands of dong, not to mention the effects upon production. Production is a matter of providing support and, at the same time, a matter of business. The regulation of the Council of Ministers granting financial independence to the enterprise reflects a wise approach in the guidance of production and business, an approach that takes into consideration price fluctuations on the market and enterprise profits and losses. However, in practical terms, the enterprise is still encountering many problems.

The situation at the Sa Giang Factory shows that dismantling the system of subsidization and shifting entirely to economic accounting and socialist business practices are truly urgent and necessary requirements.

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